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# PUBLIC POLICY PROGRAM QUARTERLY REPORT – Q I I

APRIL – JUNE 2013

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# USAID PUBLIC POLICY PROGRAM

## QUARTERLY REPORT II

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## ACRONYMS & ABBREVIATIONS

ACIP	Afro-Colombian and Indigenous Program
AFS	Agricultural Financing System
ANIF	National Association of Financial Institutions
BDO	Banca de las Oportunidades
CAF	Latin American Development Bank
CELI	Consolidated and Enhanced Livelihoods Initiative
CMH	National Center for Historical Memory
CONPES	National Council on Social and Economic Policy (White Paper)
DANE	National Department of Statistics
DNP	National Planning Department
DPS	Administrative Department of Social Prosperity
FNG	National Guarantees Fund
FOMIN	Inter-American Development Bank's Multilateral Investment Fund
GOC	Government of Colombia
GRS	General Royalties System
ICP	Political Science Institute
IDPs	Internally Displaced Persons
INCODER	Colombian Rural Development Institute
IOM	International Organization on Migration
LCDS	Low Carbon Development Strategy
LEDs	Low Emission Development Strategy
MARD	Ministry of Agriculture and Rural Development
MOF	Ministry of Finance
PDRIET	Comprehensive Rural Development Program with a Territorial Focus
PNNU	National Natural Parks Unit
Program	USAID Public Policy Program
REDD	Reduced Emissions from Deforestation and Degradation
SCG	Savings and Credit Groups
SENA	National Learning Service
SINAP	National System of Protected Areas
SINIDEL	Labor Demand Information System
SMEs	Small and Medium Sized Enterprises
SNARIV	National System for Victims' Assistance and Comprehensive Reparations
TNC	Third National Communication on Climate Change
UAF	Family Farming Unit
UNIDOS	Network for Extreme Poverty
USSD	Unstructured Supplementary Service Data
Victims' Law	Victims' and Land Restitution Law/Law 1448 of 2011
Land Restitution Unit /LRU	Special Administrative Unit for Land Restitution Management
Consolidation Unit /UACT	Special Administrative Unit for Territorial Consolidation and Reconstruction
Victims' Unit / UARIV	Special Administrative Unit for Integral Victims' Assistance and Reparations

## EXECUTIVE SUMMARY

As Q11 came to a close, the USAID Public Policy Program had completed 94% of its contractual obligations as per the Performance Work Statement (PWS). The Program has successfully confronted the challenge of responding to the Government of Colombia's (GOC) ambitious reform agenda over the previous three years. Since it began, the Program has focused on supporting the GOC's efforts to achieve comprehensive reparations for almost 400,000 victims of the internal armed conflict and build administrative and judicial capacity to respond to more than 160,000 land restitution claims from those who have been disposed of their lands because of violence. The Program has also supported the GOC to forever transform the conditions of poverty and underdevelopment of the Colombian countryside through the proper implementation of the National Territorial Consolidation Policy (PNCT) and the Comprehensive Rural Development Program with a Territorial Focus (PDRIET).

The Public Policy Program's technical contributions to the GOC have driven profound changes and innovations within GOC institutions, and will allow the GOC to save and invest more than US\$ 187M in public funds over the next three years. Since it began, the Program has provided the GOC with more than 150 groundbreaking public policy instruments that include inputs for constitutional amendments and the GOC's National Development Plan (NDP), legal reforms, CONPES documents, Presidential Decrees and sector-specific regulations. Assistance provided contributed to a new normative framework and robust institutional capacity that was, until recently, unthinkable given the current political, legal, economic and social context in Colombia.

In Q11, the Program focused on complementing its institutional strengthening efforts of the INCODER, the Land Restitution Unit, the Victims' Restitution Unit and the Territorial Consolidation Unit. The Program concentrated on supporting strategic alignment processes, institutional redesigns and modernization of management structures under a results-oriented model, all of which are the best guarantee of continuity of efforts and sustainability of results. The most important achievements being: the design and territorial implementation of the rural development policy, which includes income-generation programs for the rural poor population and the provision of public goods for regional development; and its assistance to strengthen the Comprehensive Rural Development Program with a Territorial Focus (PDRIET), which has become a critical priority for the GOC. The Program's contributions in these areas directly resulted in an investment of more than US\$ 33M in public funds by six governmental institutions.<sup>1</sup> These resources will be used to advance the two PDRIET pilots being implemented in 16 municipalities in Southern Tolima and Northern Cauca.

In addition, the Program made transformative advances strengthening the management capacities of the Land Restitution Unit (LRU) and the Colombian Rural Development Institute (INCODER) in Q11. Under a cutting-edge results-oriented management model, the Program aimed to modernize and streamline the institutional frameworks of these agencies in order to meet the needs of the beneficiaries of the GOC's land and rural development policies in an efficient, transparent and economical manner. The Program's results directly impact more than 1000 officials who work within these institutions, by enabling them to strategically align their actions with the objectives of these public entities, in terms of the goals established by the National Development Plan regarding project development, budget specification and contract execution.

The Victims' Pillar's most important achievement in Q11 was, without a doubt, the construction of the Minimum Subsistence Index. This Index enables the GOC to transform its provision of humanitarian

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<sup>1</sup> Ministry of Agriculture and Rural Development, Banco Agrario, Administrative Department of Social Prosperity, SENA, the INCODER and the Rural Land and Water Use Planning Unit

assistance by linking the State's offer of assistance to an evaluation that assesses two objective criteria: the severity and the urgency of a victim's unmet food, housing and healthcare needs. The Index will revolutionize the public policy for victims by overcoming the welfare-based and sectoral manner in which humanitarian aid is currently provided. When fully implemented, the Index could represent a direct savings of 25% of the funds destined for the UARIV. In other words, the Victims' Unit could save close to US\$ 112M this year alone.

In Q11, the Consolidation Policy Pillar continued to support State presence and inter-institutional coordination in consolidation zones (13 departments and 58 municipalities), as well as ensure relevant service provision. The Consolidation Pillar's most impressive and significant achievement in Q11 was its design and implementation of the Consolidation Index, which will be used to perform several measurements over time to monitor and compare the progress made in the NCP's target municipalities. This will enable the GOC to assign specific goals for each indicator and to verify their periodic performance. Even more importantly, it will serve as a critical tool to objectively analyze the effectiveness of the public investments made under each Policy component within each of these municipalities, as well as provide data about the overall results achieved by the Policy. For the first time, the State has an effective tool with which it can determine the Consolidation Policy's results, as well as measure its ability to reverse the conditions that contribute to conflict in these 58 municipalities, where over 70% of the rural population live in conditions of extreme poverty.

Also in Q11, the Program's institutional strengthening efforts were focused on improving local capacities for accessing resources from the National Royalties System, especially by providing assistance for project development in consolidation zones. In coordination with the National Planning Department and the Comprehensive Victims' Assistance and Reparations Unit, the Program prioritized the preparation of guides for the development of five types of projects that will benefit victims. These Program efforts resulted in the development of 83 projects valued at a total of US\$ 37M, which will benefit the residents of 26 consolidation municipalities.

Finally, the Program made significant progress in its efforts to promote access to finance for the rural poor and advised the Ministry of Finance (MOF) and the Banca de las Oportunidades Program (BDO) on the development of a competitive fund to promote E-transactions and mobile banking in rural areas of the country. The Program assisted in the design of this mechanism for allocating and disbursing public funds. This fund is an innovative policy instrument for building new public-private partnerships (PPPs). The mechanism invites stakeholders to compete for a pool of funds, which are then awarded to the best proposals. In Q11, as a result of the Program's work in the previous quarters, the GOC selected three winning E-transaction projects, together valued at US\$ 3.2M. Because of the Program's support, at least 100,000 customers will be able to carry out E-transactions through their mobile phones over the next 2 years (June 2013 – June 2015). At least 40% will be women. Mobile banking will enable a small producer to save between US\$ 6 and US\$ 40 each time he or she does not have to stop working in order to go to a bank branch. Finally, the Challenge Fund allocated funds to cover 50% of the value of each proposal, thus leveraging US\$ 1.6M in private funds.

Looking forward, the Program will still face major challenges in Q12. Nevertheless, by concluding its technical support to the reform of the Ministry of Agriculture and Rural Development (MARD); providing guidelines on land formalization processes and update of the rural land cadastre; completing the institutional strengthening of the VU and SNARIV; concluding the Expert Mission on the income generation policy; and, finalizing the design of the Consolidation Unit's monitoring and evaluation system, the Program will complete the totality of its required goals.

## **PILLAR I: LAND POLICY**

In its third year, the Public Policy Program continued to support the Government of Colombia (GOC) fulfill its ambitious goals related to the restitution of lands, formalization of rural property and implementation of rural development policy. In Q11, the Program focused on strengthening the institutions that are responsible for the restitution of lands to victims and rural development initiatives in the country. In the same capacity, the Program continued to support the design and territorial implementation of the rural development policy, which includes income-generation programs for the rural poor population and the provision of public goods for regional development. These efforts are essential to overcoming extreme poverty and drug trafficking, factors which are considered to be at the root of the conflict in Colombia.

The Program's most notable achievement under the Land Policy Pillar was its assistance to strengthen the Comprehensive Rural Development Program with a Territorial Focus (PDRIET), which is a critical priority for the GOC. Consequently, in Q11 the Program focused its efforts to achieve important milestones, such as: a) the design and implementation of the PDRIET model in the Northern Cauca and Southern Tolima zones; b) the final design of the socio-economic profile form, which will be used to collect data about the target population; c) the elaboration of the PDRIET's value chain, which is an important analysis tool for the strategic planning process for the INCODER; and, d) the definition of the terms of an inter-institutional agreement between the participating entities in the PDRIET, aimed at ensuring that the public offer reaches the territory in a well-coordinated manner, to meet the population's needs.

During Q11, the Program also contributed to transformative advances that strengthen the management capacity of the Land Restitution Unit (LRU) and the Colombian Rural Development Institute (INCODER).

Main highlights include:

- Preparation of an organizational process map and template design for a results-based FY2014 Budget Request Letter;
- Technical support for the design of a monitoring model for LRU investment projects within the DNP's SINERGIA and Project Monitoring System (SPI) framework;
- Design of a Procurement Manual that will reduce the risk of the inefficient use of resources and ensure that the GOC reaches the greatest number of potential beneficiaries in the highest quality manner;
- Crafting of a Communications Strategy for the LRU that will enable the LRU not only to provide important information on its mission to the public, but also to disseminate its achievements and fulfillment of GOC goals in matters related to the restitution of lands;
- Development of a training strategy that includes a comprehensive and long-term vision that guarantees effective institutional linkages and coordination;
- Technical support to the LRU Compensation Fund to assist it disseminate information about its programs;
- Validation of an LRU Security Protocol.

Beyond this important work with the LRU, this Quarter the Program also continued to strengthen the INCODER's results-based management framework by helping it to establish the Annual Regional Action Plans that define the activities that need to be executed by its Regional Directorates in order to meet Plan targets. Improvements in the management model of the INCODER should improve quality of life for the rural population by enabling the INCODER to better provide access to the land, public goods, and possible income-generating activities. Furthermore, in Q11 the Program supported the INCODER to strengthen its procurement processes by designing a Procurement Manual that specifies procurement guidelines, clarifies roles and responsibilities, and establishes criteria to introduce performance-based procurement. The new manual will directly impact the way in which officials administer the INCODER's resources and meet the goals of the organization. In addition, the Program has also been providing technical assistance to the INCODER's General Secretariat to strengthen its capacity to hire competitive and suitable employees.

Efforts to date have resulted in the accomplishment of 90% of Land Policy results. Three major challenges remain: land formalization and updating of the rural land registry; implementation of the Decree regulating the LRU's Compensation Fund; and, reform of the MARD. As such, in the next Quarter, the Program will accomplish fundamental achievements, the most significant being: a) the preparation of a rural policy document about the update of the land cadastre; b) the finalization of the capacity building process within the LRU to support the implementation of the Compensation Fund; and, c) the achievement of final advances in the design of the PDRIETs.

## **Results, Milestones and Activities**

### **Result 1.1: Land Restitution Chapter of the Victims' Law Implemented**

#### **Milestone 1.1.1 Land Restitution Unit Established**

##### **Activities**

##### **1.1.1.a. Ensure Coordination Between Consolidation, Victims' and Land Policies:**

In Q11, the Program assisted the LRU and the Victims' Unit to identify bottlenecks in the Coordination Action Plan that the two Units had agreed on together in Q10. The aim of the plan is to streamline the LRU's coordination with the Victims' Unit (VU) in order to ensure effective and comprehensive reparations for victims.

Bottlenecks included:

- Obstacles in coordination between the LRU and VU due to differences in goals and processes.
- Differences in timelines. For example, the LRU has one timeline (restitution), whereas the VU has three independent timelines (individual reparations, collective reparations and the return process), which may or may not coincide with the LRU's restitution process. It is difficult for one Unit to wait for the other to decide what it should prioritize.
- Multiplicity of actors involved in the restitution process within the Units, without internal and external alignment.



In light of these findings, in Q11, the Program adjusted the Q10 Coordination Action Plan between the LRU and VU. To do this, the Program held seven technical meetings: a joint meeting with the executive management teams of both the LRU and VU, three technical meetings exclusively with the LRU and three technical meetings exclusively with the VU. As a result of these meetings, the Land Restitution Unit's specific technical needs were prioritized in order to accomplish the return of displaced peoples to their lands. Due in part to these coordination challenges, the Program will provide the LRU with the necessary policy guidelines and procedures to carry out coordinated return processes and determine whether any additional agreements, protocols and roadmaps may be necessary in order to achieve the effective implementation of the return process.

Also, in Q12, the Program will support the development of software that will enable the LRU to monitor compliance with the orders issued in restitution judgments, which usually involve different national and territorial government entities. In addition to monitoring, this tool will allow for the identification of bottlenecks that may emerge in the restitution process (caused by court orders and responsible entities, among others). The software will be an instrument for the LRU to make policy decisions within the framework of the National System for Victims' Assistance and Comprehensive Reparations (SNARIV), and to establish different entities' responsibilities in the land restitution process.

#### **1.1.1.b. Support the Review and Streamlining of the Land Restitution Unit (LRU) Administrative Processes - Planning, Contracting, and Budgeting:**

As reported in Q10, under its efforts to strengthen the Planning, Monitoring and Evaluation Cycle of the Land Restitution Unit, the Program has focused on achieving three goals: i) to improve the Budget Request Letter drafting process; ii) to strengthen the contracting process; and, iii) to strengthen the process-based management model.

During this Quarter, the Program finished designing the FY2014 Budget Request Letter (*Ficha EBI*)<sup>2</sup>, which the LRU will use to develop investment projects and budgets. To do so, the Program trained the LRU's Planning Office (OAP) to draw up Budget Request Letters using the value chain methodology.<sup>3</sup> In the past, the LRU's Budget Request Letters had vague targets and objectives that were not linked to activities, programs and budget needs. Now, for the first time, the LRU has a results-based budget framework that links budget needs to results.

During Q11, the Program also supported the LRU in preparing a Procurement Manual. The Program worked with the General Secretariat and the Office of Recruitment on a technical review of their internal memos and resolutions. The Program also conducted an assessment of the Unit's procurement regulations and practices. Among the findings, the Program found that these documents had not been issued systematically and contained contradictory instructions. These scattered and incoherent guidelines may hinder the efficiency and clarity of procurement processes within the organization.

Additionally, in Q11, the Program supported the analysis of administrative acts on procurement matters issued to date. The analysis identified frequent errors and information needs, as well as prioritized and established which procurement guidelines would be incorporated into the Manual. With the information obtained, the program designed the methodology for developing a new Procurement Manual. The Program developed a first draft of the Manual in Q11 and the final version will be

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<sup>2</sup> The EBI specifications are required to make budget allocations to entities. These should be built using the DNP's General Adjusted Methodology.

<sup>3</sup> The value chain is a theoretical model that is used to describe the development of a business organization's activities that generate value for stakeholders. The methodology is based on a definition of the results that stakeholders, users or customers expect from the organization, the activities that generate value in order to achieve these results, and the resources that are needed to achieve these results.

completed in Q12. The Manual will serve as a management and orientation guide for the LRU's development of procurement activities, and aims to expedite procedures, reduce risks related to the inefficient use of resources and avoid risking the LRU's assets. The Manual will contribute towards: a) the improvement of the goods and services acquisition process and b) the supervision of contracts in accordance with established regulations. In addition, it will contain innovative outsourcing instruments that are not commonly used, even though they are included in the Law.

For example, among other modifications, the new Manual will introduce the "umbrella contract," which is a type of contract framework used for procurement of services. Within this framework, work orders are contracted according to the Unit's demand. This will modernize contracting and competition schemes. The work methodology for the design of this type of contract included the characterization and conceptualization of tools, as well as analysis of their implementation in other entities, and of international experiences. The Program collected this information through a comparative analysis of similar models that have been implemented in other countries and through focus groups conducted with national officials from other entities.

Finally, using the Strategic Design Model and Results-Oriented Management Model frameworks it has already successfully implemented in the Victim's Unit and the INCODER, the Program began to support the strategic review of the LRU's processes. Eight (8) processes were reviewed:

1. The Compensation Fund;
2. Communications Management;
3. Security Management;
4. Archival Management;
5. Logistics and Physical Resources Management;
6. Customer Service;
7. Human Talent Management;
8. Procurement Planning and Management.

For this purpose, the Program used a number of methodologies, including SWOT (Strengths Weaknesses Opportunities and Threats) analysis and a cause and effect analysis (the fishbone diagram), in order to provide best practice recommendations.

The Program's recommendations to eliminate bottlenecks and strengthen the management capacity of the agencies responsible for these processes will also improve the responsiveness of the institution in relation to citizen demands.

This review complements the LRU's process map prepared by the Program in Q8 (Please see Chart 1).

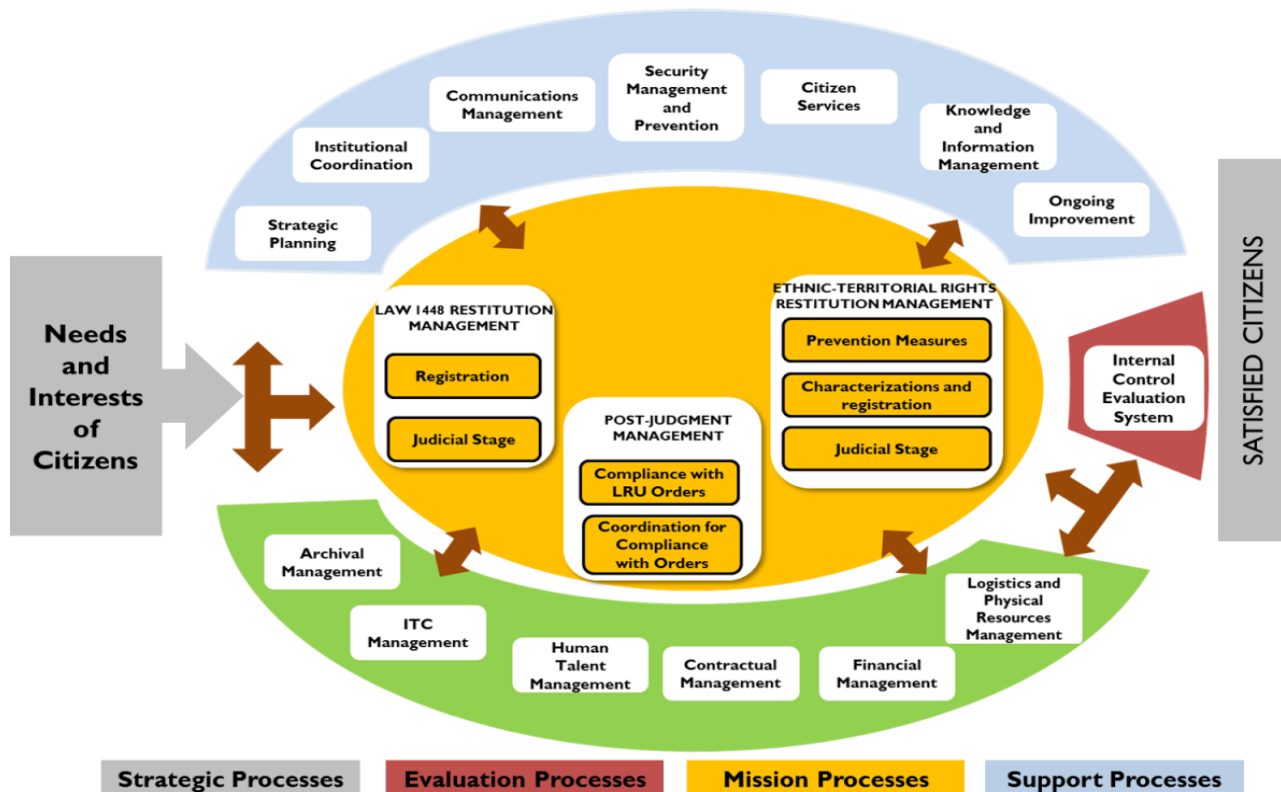


Chart 1: Process Map  
 Source: Land Restitution Unit

Thus, through the activities described above, the LRU is expected to: strengthen its internal processes, which will improve its quality and efficiency; begin the implementation of a comprehensive management system; and, strengthen its overall quality control. A good management process will allow the LRU to measure the extent to which user demands are met. The results of this activity will be presented in Q12 and Q13.

#### 1.1.1.c. Pilot Project for Streamlining the Land Surveying Contracting Process at the Regional Level:

In Q11, the Program and USAID agreed not to carry out this activity. Instead, they have strengthened procurement modernization activities and supported the reform of the LRU and the INCODER's procurement manuals, which will streamline the land surveying contracting process in Northern Santander, as well as throughout the country.

#### 1.1.1.d. Strengthen the LRU Communications and Dissemination Strategy:

In Q11, the Program significantly strengthened the LRU's Communications and Dissemination Strategy and increased public recognition of land restitution processes. To accomplish this goal, the Program, with the advice of a strategic communications firm and together with the LRU, conducted the following activities:

- National mapping of the Unit's presence in the media: This activity consisted of a review of different media (print and broadcast) in national and local circulation. Establishing the presence of the LRU in the media is necessary for the analysis and construction of the LRU's strategic communications plan.
- Monthly measure of the Media Presence Index (IPM): This Index synthesized 48 elements that have the greatest impact on the Unit's image: presentation format, content, delivery method, and the meaning of the information. With the IPM, it is possible to know whether the LRU's image and that of the restitution process is perceived as positive or negative. Thus, this tool provides the LRU with information it can use to make strategic decisions in communication matters.

During Q11, as a result of these measurements, the program established that the LRU has a favorable image in the media. However, news on the restitution process is negative since these stories are associated with the armed conflict.

The results of the IPM image analysis are the starting point for directing the strategic communications plan. This plan will enable the LRU to inform citizens on the procedural requirements to access its services, as well as provide a platform for the Unit to publicize its achievements. The LRU is expected to report its performance and the achievement of its goals, in addition to the execution of its resources. This strategy includes: a) design of the institutional image; b) guidelines for communication management in crisis contexts; and, c) mechanisms required to maintain a consistently favorable image in the national media. This strategy takes the target audience into account, including the channels through which the information reaches the public, as well as the language and strategic messages that are required for the LRU to reach different audiences and cause differential impacts.

The Program will continue to support the development of the LRU's external and internal strategic communications plan and strengthen the LRU's Communications Office in Q12. Future activities include: presentation of proposals for the webpage; development of a strategic internal communications plan; feedback on the Institutional Image Manual; continued review of Media Presence Index evaluations; and, meetings with media directors to ensure that they can more accurately report on the LRU and land policy in general.

#### **1.1.1.e. Capacity Building and Training Strategy for LRU Personnel:**

In Q11, the program met with the Land Restitution Unit to identify training needs of each of its work areas. Based on this analysis, the program designed a training strategy, with a comprehensive and long-term vision aimed at accomplishing the LRU's mission objective<sup>4</sup>.

This strategy includes training and education tools that are required to prepare LRU officials and their contractors, as well as officials from other institutions who have the necessary competencies, on the implementation of the Land Restitution Policy. Thus, the training strategy included: a) a description of the target audience, adopting a differential approach for specific populations (for example, specialized assistance for women and ethnic groups); b) the content and objectives of specific training courses; c) a methodology; d) timeframes; e) responsible counterparts; f) materials; and g) monitoring and follow-up tools.

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<sup>4</sup> To lead victims of abandonment and dispossession through a comprehensive management process that provides for the sustainable restitution of their lands and territories, enabling the full exercise of their rights and the construction of peace in Colombia.

As part of this same effort, the Program developed the Institutional Training Plan (PIC) for the LRU. The PIC focuses on the development of competencies, the improvement of institutional processes, and the strengthening of the work capacity of LRU officials.

An additional training process was included for contractors hired by the Unit,<sup>5</sup> but who are not eligible for PIC training due to Colombian regulations. In the future, the result of this activity will contribute to the systematization of knowledge and best practices within the land restitution framework. Furthermore, in order to guarantee that the Land Restitution Policy is implemented in a clear and coordinated manner, a proposal to train sector officials from other entities (who have competence in land restitution matters) was also included in the LRU training strategy.

In Q12, the results of this work will be disseminated to the LRU Directors in order to obtain their respective comments and approval.

#### **1.1.1.f. Support the Definition of Security Protocols and Roll-out Strategy for Regional Offices:**

In Q11, the Program conducted 14 training sessions on the Security Protocol previously designed for personnel from the regional Territorial Directorates<sup>6</sup> of the Land Restitution Unit. The Security Protocol addresses: basic security needs that must be met for staff to perform their duties (adequate facilities, communications equipment, vehicles); staff preparation for fieldwork, including recommendations to be taken into account in case of unforeseen situations, such as illegal checkpoints by armed groups, abductions, protests, taking over of installations or terrorist attacks.

The Program's training sessions for the Unit's officials provided a platform to collect concerns and establish specific needs of the Territorial Directorates in security matters. Some common issues identified across the regions through the dialogue with officials during the training sessions were the absence of vehicles for transportation, the need to share vehicles with law enforcement officers who accompany them on their field trips, and the need to rely on satellite telephones for communication purposes.

In addition, the Program pilot-tested a risk analysis matrix<sup>7</sup> in 4 regions of the country.<sup>8</sup> This matrix, which was previously designed by the Program, facilitates the identification and evaluation of the risks to which officials of the Unit are exposed in the performance of their functions. The implementation of the risk analysis matrix will provide the LRU and its officials with the necessary tools to evaluate the risks associated with the land restitution process. Furthermore, it will enable them to take the necessary measures to minimize these risks.

In pilot testing the risk analysis matrix in Q11, the Program recognized the importance of developing a specific indicator to define the level of resistance or opposition that can result from the land restitution process in different regions. To evaluate risk, the indicator should take into account elements such as historical violence patterns and any changes in social, political and economic structures that resulted from land abandonment or dispossession.

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<sup>5</sup> The LRU relies on temporary contractors who provide specialized professional services to implement the Unit's work. There are over 800 contractors working with the LRU.

<sup>6</sup> Putumayo, César, Córdoba, Sucre, Santander, Meta, Tolima, Magdalena, Norte de Santander, Valle del Cauca, Antioquia, Bogotá (2), Bolívar

<sup>7</sup> The risk matrix is a tool to quantify the dynamics of violence and resultant processes in the territories. This matrix has two levels of evaluation. The first is a contextual level, in which the current security level of the zone is established. This includes a Municipal Security Index that measures the levels of violence at the municipal level and is calculated using variables that reflect current scenarios where the Colombian armed conflict is present. The second level of the matrix delves into the risks that are encountered in the midst of restitution processes.

<sup>8</sup> Tolima, Valle of Cauca, Northern Santander and Antioquia.

The results of the Security Protocol training activities and the pilot tests of the risk analysis matrix, including the new resistance index, will be presented to the Land Restitution Unit in Q12. This will enable the LRU to conduct a better analysis of internal and external factors affecting the entity that could generate uncertainty in achieving its proposed goals and objectives. Proper risk management by the LRU will contribute to the increased efficiency and effectiveness of organizational processes that this entity handles.

**1.1.1.g. Support Training and Knowledge Management for Restitution Judges and Magistrates to Strengthen the Transitional Justice Approach for Land Restitution Policy:**

During this Quarter, the Program designed a proposal to carry out a legal analysis of the judgments that have been issued in land restitution cases. This proposal keeps two perspectives in mind:

- a. The transitional justice perspective, which analyzes land restitution judgments in light of relevant transitional justice directives that have been established in national and international jurisprudence and case law. This analysis will take into account limitations of the application of this type of justice, such as budget constraints with respect to the victims.
- b. The civil law perspective, which consists of an analysis from the perspective of civil law and includes essential aspects related to land tenure, respect for relationships that existed before the dispossession of the land, and the management of bona fide third parties involved. It is important to note that although land restitution is a reparation measure, it affects civil law relationships.

The Program's proposed legal analysis has been developed taking into account the weaknesses it has identified in the judicial processes for land restitution. To date, judges and magistrates have issued approximately 100 land restitution judgments. The Program's review of select judgments in Q11 has demonstrated that although the vast majority of these judgments have been favorable, weaknesses in the administrative process and the need for legal tools that clarify the interpretation of the law are evident.

For example, the Program and the LRU's preliminary analysis of the judgments has revealed flaws in evidence collection by the Unit, which has forced judges to repeat some procedures, such as topographical surveys. This affects and delays the entire process because judges have very short deadlines to make their decision. There is also a lack of uniformity in processing requests and in rulings.

In addition, in Q11, the Program observed that, with regard to the requests, not all the members of the family are included; they tend to exclude women as beneficiaries of the Law. Also, an express request is not made for debt relief and the judge is not obliged to include it in the judgment, thus depriving beneficiaries of their legally enshrined right. In terms of the judgment itself, some judges include orders that place heavy burdens on public budgets for items that are not necessarily directly related to the restitution of lands, such as the construction of a school in the restituted area, regardless of the number of children who would benefit from this measure.

In Q12, the Program will further validate this methodology for analysis, which was created using the two previously mentioned legal perspectives. To test this methodology, ten (10) representative sentences, selected in accordance with the LRU, will be analyzed. This methodology will allow the LRU to better analyze the land restitution judgments issued by judges and magistrates. This will be executed in order to identify lines of argument, bottlenecks, and weaknesses in the administrative and judicial phase of the process. Similarly, the identification of the lines of argument and other common elements in sentencing



will allow the Unit to approach the judiciary with key elements that can help optimize decisions in the face of the land restitution policy.

### **Milestone 1.1.2 Inputs to the Compensation Decree**

#### **Activities**

##### **1.1.2.a. Manual/Guidelines or the Compensation Fund:**

In Q11, the Program has been supporting the LRU in the design of the technical operational manual's flow chart for the implementation of the Compensation Fund's processes and suggesting proposals to improve the implementation of such manual. This is expected to streamline the Compensation Fund's judicial processes and thus result in the budget (US\$ 95M) generating a greater impact.

In addition, during Q11 the Program began developing a set of communication materials (booklets, guides, brochures, etc.) about the *debt relief program*<sup>9</sup>. The Program is designing the content of these materials, which the Unit will subsequently print and distribute. These instruments are aimed at the Territorial Directorates of the Land Restitution Unit, local authorities (mayors' offices and municipal councils), financial institutions, utility companies and beneficiaries of the program.

During Q11, the Program drafted the general outline that will serve to guide the development of all communication materials. The Program determined, jointly with the LRU, that all of these materials must contain general information on the debt relief program, as well as provide guidance on each of its related components (fiscal, household utilities and financial services). The depth of the issues in each communication material will depend on its audience. However, by reading these materials, the reader will obtain basic knowledge about the debt relief program.

Information about the debt relief program will be disseminated by the LRU in order to guarantee that entities in charge of its implementation (local authorities, financial institutions and household utility companies) are made conscious of their legal obligations and implement them. In addition, beneficiaries will be made aware of their rights in order so that they are able to claim them. Finally, information about the scope of the program and how it can be implemented in different regions will be disseminated to officials from the LRU territorial offices.

The support provided by the Program in Q11 to the Compensation Fund is very important because this Fund concentrates approximately 70% of the LRU's resources (approximately US\$ 136M).

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<sup>9</sup> "The LRU Compensation Fund's debt relief program aims to financially restructure land debt. Three types of debt exist in this area: a) outstanding property taxes, fees or other land-related taxes; b) unpaid public utilities; c) financial sector debts. This restructuring facilitates the usufruct of the property to the extent that it eliminates barriers to the effective enjoyment by the beneficiary." Source: LRU. The debt relief program is a key component of the land restitution process and, more broadly, of the comprehensive reparation process for victims of violence.

**Result 1.2: Land and Rural Development Law Drafted****Milestone 1.2.1 Inputs to the Land and Rural Development Law****Activities****1.2.1.a. Harmonize the Land and Rural Development Bill with the Law on Rural Women:**

**Regulate the Law on Rural Women (Gender Support Activity 4.2.a.).** During Q11, the Presidential High Commission for Women's Equity (ACPEM) and the Public Policy Program reviewed the rural women's access to financial services issue, which was established as a priority by Law 731 of 2002. In addition, the Land and Rural Development Bill identified it as a key element in promoting the autonomy and economic development of rural women.

In Q11, the Program reviewed the findings from roundtables it conducted with rural women in Q10 on accessing the financial system. The Program's main conclusion was that GOC should consider more relevant and updated options that correspond with rural women's current reality, instead of relying on choices that were appropriate in 2002 (the year when the law was issued). In Q12, the Public Policy Program will continue working on this subject by organizing meetings with representatives the ACPEM and the Bank of Opportunities (*Banca de las Oportunidades*), a GOC program to promote access to financial services in the country. This work will be executed with the specific objective of ensuring that more rural women in Colombia have access to financial services -- not only credit but also savings and insurance.

Additionally, in Q11, the Program hosted meetings between the INCODER and the ACPEM in order to define which of the INCODER's strategic processes are related to income generation and incorporation of the gender approach. The Program, the INCODER and the ACPEM selected the awarding of state-owned lands (*baldíos*) and access to rural development subsidies as relevant processes. This activity will help to harmonize the provisions of Law 731 of 2002 and CONPES 161 of 2013 with the proposed Land and Rural Development Bill, highlighting the importance of mainstreaming the gender perspective in agricultural sector public policies and promoting rural women's entrepreneurial initiatives through the provision of technical assistance and access to financial services<sup>10</sup>.

**1.2.1.b. Strengthen Policies and Regulations Required for the Implementation of Land and Rural Development Reform (Agrarian Processes and Land Access Instruments):**

During Q11, the Program continued to support the INCODER and the MARD review and identify the most significant limitations to the implementation of agrarian procedures. These procedures are crucially important because the INCODER uses them to: i) implement access to land policies that benefit peasants and ethnic communities; ii) guarantee the social and ecological function of the property; iii) guarantee the State's ownership of public property; iv) contribute to enforcement of property rights; v) correct other irregularities in land tenure and use. In other words, the successful implementation of the Land Policy depends on the efficient and effective operation of these instruments.

The Program carried out a study aimed at collecting findings and making detailed recommendations on 11 specific procedures listed in Table I. The study comprehensively evaluated these processes, identified areas for reform and illuminated two major limitations to agrarian processes: 1) problems derived from the traditional disjointed application of these procedures and 2) important synergies that could otherwise arise from a coordinated and planned approach at the territorial level.

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<sup>10</sup> This information is expanded in Section 4.2 of this Report.



**Table No. 1. Agrarian Procedures**

<b>Procedures to Promote Access to Land Ownership</b>		<b>Agrarian Procedures to Enforce the Social and Ecological Function of Property, Guarantee Ownership and Conservation of Public Property, and Correct Irregular or Illegal Situations of Appropriation</b>
1.	Titling of <i>Baldíos</i> (state-owned lands) for Private Individuals	1. Annulment of Ownership
2.	Awarding of <i>Baldíos</i> (state-owned lands) to Black Communities	2. Clarification of Property Ownership
3.	Creation and Expansion of Indigenous Reservations	3. Demarcation of the Nation's Lands
4.	Awarding of <i>Baldíos</i> (state-owned lands) to the National Agrarian Fund	4. Recuperation of Improperly Occupied <i>Baldíos</i> (state-owned lands)
5.	Titling of <i>Baldíos</i> (state-owned lands) Subject to Annulment of Ownership and Administrative Expropriation	5. Reversion of Land Ownership to the Nation in Cases Where <i>Baldíos</i> (state-owned lands) Have Been Illegally Occupied
6.	Peasant Reserve Zones	

The Study's findings demonstrate that the procedures mentioned above have prevented major land policy achievements since the issuance of Law 160 of 1994<sup>11</sup>. Consequently, necessary measures to substantially advance the Land Policy's objectives (access to land, its rational use and compliance with the social and ecological function of the same) that need to take place include both regulatory reforms to partially or totally redesign some agrarian procedures, as well as administrative actions to overcome technical and operational barriers.

An illustrative example of a limitation found in the study at the regulatory level is the excessive duration of these procedures, which creates a climate of insecurity around legal property rights in rural areas. A key recommendation made by the study is to adjust the review process before the State Council by amending the Land and Rural Development Bill by means of an article that establishes deadlines for issuing these judgments.

The Program's support to the GOC in this area responds to one of the greatest challenges that the country faces today: the successful implementation of agrarian administrative procedures. The success or failure of the land policy depends on the effectiveness of these instruments. The inability to achieve the objectives set out in the existing legislation (Law 160 of 1994), as evidenced by recent shortcomings, suggests that the instruments enshrined in this Law are inadequate, or that their implementation has failed.

In Q12, the Public Policy Program will discuss the Study's findings and main recommendations at a technical workshop with officials of the INCODER (at the central and territorial level) and lawyers of the MARD's Legal Office. Officials' experiences and lessons from implementing the procedures will enrich the document. Furthermore, the sharing, dissemination and support of the joint design of a comprehensive roadmap for the planning and implementation of agrarian processes will contribute to the territorial approach towards rural property planning. This event will enable the GOC to undertake operative and regulatory/legislative adjustments that will allow it to improve agrarian procedures.

<sup>11</sup> This law created the National System for Agrarian Reform and Peasant Rural Development, provided a subsidy for land acquisition, reformed the Colombian Institute for Agrarian Reform, and ordered other provisions.

**Milestone 1.2.3 Design of the Sustainable Livelihood Policy Framework<sup>12</sup>****Activities****1.2.3.a. Support the Development of Regulations Related to Income Generation and a New Policy and Program Design:**

The Program made significant progress during Q11 in the assessment, development and implementation phases of the PDRIET<sup>13</sup> (some of these phases have begun to be implemented in two pilot regions, Southern Tolima and Northern Cauca, as discussed below).

*Assessment Phase:*

During Q11, DNP resources were used to prepare specifications for developing the productive profiles of the 16 municipalities in Northern Cauca and Southern Tolima. These specifications were developed on the basis of the lessons learned from the characterization activity carried out in the municipality of Chaparral. Products of this baseline are: a) a characterization of the socioeconomic status of prioritized households<sup>14</sup>; b) a community characterization of the areas of intervention; and c) design of the evaluation of the program's impact and corresponding indicators.

During this Quarter, the Program also selected its work areas<sup>15</sup> and prioritized the target population by exchanging databases with System of Identification of Beneficiaries of Social Programs (SISBEN) in order to identify specific beneficiaries. This will enable the GOC to determine the type of intervention<sup>16</sup> that the PDRIET should undertake. This intervention will be carried out through the programs and instruments of the different national and territorial public entities (such as the Ministry of Agriculture and Rural Development, the Department for Social Prosperity, INCODER, SENA, and Banco Agrario) and private entities (such as trade associations, universities, foundations, international cooperation agencies and research centers) that participate in the PDRIET.

It is expected that over the long term these and other entities will contribute resources to the Rural Development Roundtable<sup>17</sup>, so that needs and opportunities can be addressed in a comprehensive manner, and not necessarily through already-existing programs.

*Development and Implementation Phase:*

In Q11, the Program assisted in the development of the value chain of the PDRIET and its respective logical framework. Through this activity, the Program helped to define the inputs, processes, products, results and impacts of each of the PDRIET's components<sup>18</sup>. The Program also prepared written

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<sup>12</sup> MARD and INCODER reform activities were originally reported under 1.2.3. In Year 3, these activities will be reported under 1.2.5 and 1.2.6.

<sup>13</sup> The PDRIETs have a comprehensive focus on several interrelated objectives. First, they seek to build capacities in the territories for generating income and regional competitiveness. Second, they aim to resolve land ownership disputes and implement rural land planning. Finally, they are designed to ensure the delivery of public goods at different levels in the territories. A basic condition for the achievement of these objectives is the strengthening of the capacities of the INCODER's regional offices to perform diagnoses, resolve land disputes, structure productive projects, and manage the provision of public goods that are essential for rural development.

<sup>14</sup> Different databases have been exchanged with the SISBEN for the prioritization and targeting of the population.

<sup>15</sup> The characterization of the territories required holding participatory and interinstitutional workshops to analyze a territory's potentialities and priorities, bottlenecks and problems. This activity has already begun in the case of Southern Tolima and Northern Cauca.

<sup>16</sup> The type of intervention is determined on the basis of such aspects as territorial planning, access to public goods (sectoral and social), capacity development needs, and the accumulation of assets.

<sup>17</sup> The Rural Development Committees are established by MADR and DNP, with representatives of the above-mentioned national and local entities. The main objective of these committees is to identify, prioritize, budget and monitor the delivery of services to the target population to enable the systematic execution of the program.

<sup>18</sup> Productive and property planning, provision of public social and sectoral goods, development of capacities and access to income-generating assets.

recommendations that will be attached as a technical annex to the specifications developed by the INCODER, in order to facilitate the contracting for the CSDRIETs in the territory.

At the same time, during this Quarter, the Program made specific recommendations for modifying the INCODER's Budget Request Letter for 2014: *"Implementation of Rural Development Projects at a National Level"*. This activity will enable the INCODER to complete the contracting for the CSDRETs, which will in turn allow these Centers to assume their assigned functions and responsibilities. On this topic, the Program recommended that the INCODER expand the current approach from one that is aimed exclusively on productivity to a focus that also addresses rural development in a more comprehensive manner by identifying future markets and considering the territory's potential competitiveness.

The Program also recommended dividing the budget specifications into two parts: one set of specifications related to assistance for families served by the INCODER's mission processes, and the other for: a) developing the different assessments<sup>19</sup>; b) structuring productive projects; c) designing the rural development plans; and d) implementing the PDRIET for new poor rural families who decide to be included in this program. This second set of specifications will also include co-financing for productive projects, and should make use of the productive profile form designed by the DNP for the socioeconomic characterization of the families.

To ensure that public services are offered in the territories in a continuous and coordinated manner, the Program conducted participatory workshops with different national and territorial agencies, as well as representatives of organizations and communities. In addition to promoting participatory rural development and facilitating the appropriation of the PDRIET, these workshops also provided valuable information about the territory and enhanced the characterization of the target population. The results of this activity are set forth in Tables 2 and 3:

**Table No. 2. Northern Cauca PDRIET Beneficiaries**

<b>NORTHERN CAUCA: 7 Municipalities – 2,581 families</b> 3-year Contrato Plan (2013-2015) 2013 Prioritized Municipalities: Buenos Aires (666 spots), Caldono (174 spots) and Padilla (184 spots)				
Entity	Program	Targeting Process	Budget per Beneficiary	Total Budget
Ministry of Agriculture and Rural Development – Banco Agrario	Rural Housing	1,024 new homes: Buenos Aires, Caldono and Padilla	27 times the monthly minimum legal wage (SMLV) – <b>US\$ 8,605</b>	<b>US\$ 8.8M</b>
MADR – INCODER	Implementation of productive projects (seed capital + technical assistance)	500 families: Buenos Aires, Caldono and Padilla	20 SMLV – <b>US\$ 6,374</b>	<b>US \$3.2M</b>
MADR – UPRA	BPIN Investment Projects: - Studies and Planning for the Management of Rural Land Ownership in accordance with its Social and Ecological Function - Studies and Planning for the Use of Rural Land with Social, Economic and Environment Criteria	Buenos Aires, Caldono and Padilla		<b>US\$ 3.8M</b>
MADR	Program for the Formalization of Rural Land Ownership	Buenos Aires and Caldono		

<sup>19</sup> Assessments of the population, territory, market, productive vocation, public goods, and the public and private offer of services in the territory.

MADR	Program for Rural Development with Equity – Special Technical Assistance (ATE)	500 spots in Buenos Aires 250 spots in Caloto 250 spots in Corinto		
DPS – Food Security Network (Red de Seguridad Alimentaria - ReSA)	RURAL ReSa Program: Vegetable garden for personal consumption	1,080 families: Buenos Aires and Caldoño	<b>US\$ 270</b>	<b>US\$ 290K</b>
SENA	National Public Employment Service (SNE)	An agreement will be signed with the mayors' offices participating in the PDRIET, which will allow the SNE to be installed in the municipalities and begin to provide its services.		
SENA	Rural Youth Program	Training and support will be provided to the populations of the rural settlements (veredas) selected by the PDRIET.		
<b>TOTAL</b>				<b>US\$ 16M</b>

**Table No. 3. Southern Tolima PDRIET Beneficiaries**

<b>SOUTHERN TOLIMA:</b> 9 Municipalities – 2,701 families 3-year Contrato Plan (2013-2015) 2013 Prioritized Municipalities: Chaparral (400 spots), Ortega (undefined number of spots), Ataco (undefined number of spots), San Antonio (undefined number of spots)				
Entity	Program	Beneficiaries	Budget per Beneficiary	Total Budget
Ministry of Agriculture and Rural Development – Banco Agrario	Rural housing	1,219 new homes - Municipalities of Ortega, Ataco, San Antonio, and Coyaima	27 SMLV - <b>US\$ 8,605</b>	<b>US\$ 10.5M</b>
MADR – INCODER	Implementation of productive projects (seed capital + technical assistance)	400 families in the Municipality of Chaparral	20 SMLV – <b>US\$ 6,374</b>	<b>US\$ 2.6M</b>
MADR – UPRA	BPIN Investment Projects: - Studies and Planning for the Management of Rural Land Ownership in accordance with its Social and Ecological Function - Studies and Planning for the Use of Rural Land with Social, Economic and Environment Criteria	Families in the Municipalities of Ortega, San Antonio, Coyaima, and Ataco		<b>US\$ 3.8M</b>
MADR	Program for the Formalization of Rural Land Ownership	Municipalities of Ortega, Coyaima, Ataco, San Antonio		
MADR	Program for Rural Development with Equity – Special Technical Assistance (ATE)	Municipalities of Ortega, Coyaima, Ataco, San Antonio		
DPS - Red de Seguridad Alimentaria (ReSA)	RURAL ReSa Program: Vegetable garden for personal consumption	384 families in the Municipalities of Ortega, Coyaima, San Antonio, Ataco	<b>US\$ 270</b>	<b>US\$ 104K</b>
SENA	National Public Employment Service (SNE)	An agreement will be signed with the mayors' offices participating in the PDRIET,		

		which will allow the SNE to be installed in the municipalities and begin to provide its services.		
SENA	Rural Youth Program	Training and support will be provided to the populations of the rural settlements (veredas) selected by the PDRIET.		
<b>TOTAL</b>				<b>US \$17M</b>

In Q12, the Program will consolidate its intervention inputs and support to the GOC over the previous two years in order to present a proposal for the development of the Comprehensive Rural Development Program with a Territorial Focus. The following activities will be carried out for this purpose:

- Preparation of a final report that explains the PDRIET model, which will be disseminated to national government bodies and to the territorial entities in Southern Tolima and Northern Cauca. In addition to background information and the program's conceptual framework, this document will contain the design for the operation of the PDRIET, the institutional architecture, and the budget and monitoring and evaluation plans that will be required for its successful implementation.
- Quantification of the cost of the PDRIET's implementation in one region and the unit cost per family. For these calculations, the Program determined that there should be a minimum of 5,000 homes per intervention in order to justify the financial investment, in addition to the technical and political effort.
- Design of a Multidimensional Rural Poverty Index in order to obtain a real measurement of the needs and deficiencies of the rural population, including specific variables that differentiate rural from urban areas.
- Design of specifications for accessing royalty resources and responding to the need for social and sectoral public goods in the prioritized municipalities.
- Design of institutional intervention plans (in accordance with the institutional program offer), which should be based on the characteristics of the market, the socioeconomic status of the families, and the characteristics of the territories, in order to ensure the continuity of the PDRIET.

All of the foregoing will enable the Program, upon its completion, to present results about the impact of the PDRIET in terms of the Government's rural and territorial development and poverty reduction goals. These results, in turn, will serve as inputs for the development of the 2014-2018 National Development Plan. Moreover, the results will establish the PDRIET as an innovative model that provides effective and sustainable solutions for the resolution of social conflicts in rural areas, such as the Catatumbo region, in which the State's presence is limited.

### **1.2.3.b. Evaluation Mechanisms for Land, Rural Development and Livelihood Policies (Pilot Programs in Chaparral, Tolima).**

During Q11, the DNP approved the final design of the form for the socioeconomic characterization of the population enrolled in the PDRIET drafted by the Program. The Program designed and modified the form based on the problems and objectives identified in the information gathering process conducted with 500 families in the Municipality of Chaparral.

In Q11, the Program also finalized the construction of the baseline for these 500 families, calculated the respective Multidimensional Poverty Index, and made an approximation of this population's basic needs for public goods and land formalization.

Important lessons were learned from this activity, which served as inputs for the design of the PDRIET's baseline methodology with the National Planning Department, administered under the framework of the previous activity (1.2.3.a). The following lessons learned stand out: a) the design of the form and, more specifically, the selection of the variables for the socioeconomic profile of the population; b) the information collection procedures (the use of technological instruments); and, c) the criteria to be taken into account when selecting the company that will carry out the baseline survey, such as specific experience managing the target population.

## **Milestone 1.2.4 Design of Regional Rural Development Programs (PDRIET)<sup>20</sup>**

### **Activities**

#### **1.2.4.b Support the INCODER's National Office and Territorial Management Units to Strengthen Implementation of Rural Development Programs:<sup>21</sup>**

During this quarter, the Program continued its support for territorial-level work in two regions: 1) Cauca and Nariño and 2) Montes de María. The work in these regions has two purposes – to strengthen the INCODER's Territorial Directorates and their management capacity; and even more importantly, to strengthen the institutional relations between the INCODER and the Autonomous Corporations and other local entities, such as the mayors' offices of the different municipalities in the corresponding departments.



**Chart 2:** Flowchart of the National Development Plan  
 Source: USAID Public Policy Program

#### ***Cauca and Nariño Region***

In Q11, the Program provided recommendations to the INCODER and DNP for the drafting of the CONPES Document (policy White Paper) on the development of Cauca. These recommendations focused on the following suggestions:

- Recognize the presence of various ethnic groups (Afro-Colombians and indigenous peoples), which should all be integrated in the CONPES.
- Assign a budget for ethnic conflict resolution on land ownership.

<sup>20</sup> The GOC originally called its regional rural development strategy "Rural Development Areas," but it renamed it as "Rural Development Programs with a Territorial Focus (PDRIET)."

<sup>21</sup> See also Activity 1.2.3.a (INCODER activities at the national level) and Activity 1.2.5.a.

- Implement policies gradually.
- Include a focus on decision-making that is *with* and not *for* the population.
- Overcome the agricultural vision of rural areas.

Additionally, the Program has provided technical assistance to the INCODER management on ethnic conflict resolution as it relates to land ownership. This technical assistance seeks to build capacity among officials of the INCODER management and the Office of Ethnic Affairs to mediate and resolve conflicts between different ethnic groups, particularly in three kinds of relationships:

- Indigenous and peasant farmers (mestizos)
- Afro-Colombians and peasant farmers (mestizos)
- Indigenous and Afro-Colombians

At the same time, in Q11 the Program provided technical assistance to the INCODER management and delivered information on socioeconomic characteristics, the productive vocation of Nariño and the cultural and ethnic aspects that affect the economy of the region. This information was collected in the field and is essential in territorial planning to structure the PDRIET.

### **Montes de María**

During this Quarter, the Program has continued to support the construction of the PDRIET in the Montes de María region. It continues to work on an analysis of the population, actors present in the territory, and the public goods and land disputes in the 16 municipalities in the region.

Among the main tasks for the PDRIET is the definition of rural reserve areas, which will influence the determination of the productive territory. Montes de María is one of the regions in the country historically affected by armed conflict and dispossession of land, which is why farmers associations are promoting the adoption of two rural reserve areas (ZRCs). Regulated by Law 160 of 1994, the ZRCs are geographic areas approved by the INCODER that are designed for small-scale production by peasant farmers.

## **Milestone 1.2.5 Reform of INCODER implemented**

### **Activities**

#### **1.2.5.a. Support the Review and Streamlining of Administrative Processes for INCODER – Planning, Contracting, and Budgeting:**

In Q11, the Program, under a framework of the comprehensive strengthening of the INCODER's planning, monitoring and evaluation cycle<sup>22</sup>, focused its attention on i) strengthening the methodology for the design and development of regional action plans; ii) strengthening the procurement process; and iii) designing the monitoring and evaluation system.

The following are the main findings and results of the technical assistance and institutional strengthening for the INCODER.

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<sup>22</sup> in Q9 and Q10 to the strategic redesign of the Institute, the strengthening of its methodology, the improvement of its Budget Request Letters, and the development of national action plans.



*i. Support for Strategic Realignment Implementation – Territorial Action Plans*

The INCODER action plans have two levels: the national level, designed by the Program in Q10, and the regional level, designed by the Program in Q11. Both the national and regional level should include investment projects, budget planning and the definition of targeting strategies. The Program designed the methodology presented in the chart below in order to develop the Territorial Action Plans. The chart demonstrates how the INCODER action plans exist on two levels:



**Chart 3:** Flowchart of the 2013 Territorial Action Plan  
 Source: USAID Public Policy Program

The Territorial Action Plans have the following objectives:

- To establish coordination between the national government and the territories, so that rural development programs and projects are framed by a national vision, while at the same time promote the endogenous development of the rural territories.
- To establish relevant goals in each territory, backed by budgets allocated on the basis of results.
- To take into account the particular characteristics and local management of each Territorial Directorate.

The Territorial Action Plans prioritize the projects to be implemented at a territorial level and focus on the management goals of each Territorial Directorate. They also establish an activities plan and a procurement plan in order to improve resource management at a territorial level.

Based on this territory-based planning approach, the Program supported the development of an application and assistance plan to enable the Territorial Directorates to program their investments in accordance with the established targeting criteria.

This plan, developed by Program experts, contains the following modules:

1. Regionalization by Departments: Each investment project defines general goals for each Department in terms of families and hectares.
2. Territorial Management Goals: Each Territorial Directorate designs goals for the municipalities under its supervision.
3. Activities Plan: This plan lists the activities that the Territorial Directorates will carry out in order to support the main activity of the investment project.



4. Financial Plan: This is reflected in the Territorial Directorate's Procurement Plan for projects that are consistent with the activities to be carried out for achieving the proposed objectives and goals.

*ii. Procurement Process Strengthening*

During Q11, the Program supported the INCODER to update its Procurement Manual. The new Manual will establish procurement guidelines, clarify roles and responsibilities, and establish criteria to introduce performance-based procurement. To accomplish this goal, the Program first conducted an assessment of the present procurement process and manual. The Program found that the current manual is essentially a transcription of Colombian procurement regulations, which makes it extremely long and cumbersome and of little didactic value for non-experts.

As in the case of the LRU, the assessment revealed that the INCODER's issuance of internal memos and resolutions for resolving procurement problems creates greater confusion. In response, the program began developing the new manual, which contains clear examples of the types of contracts used in Colombia. The new manual will directly impact the way in which officials responsible for procurement administer the INCODER's resources and meet the goals of the organization.

In Q12, the INCODER will have the final version of the Procurement Manual, which will serve as a management and orientation guide in all of its procurement activities, and will improve: a) the processes for acquiring goods and services in fulfillment of the Institute's purposes; and b) the supervision of the Institute's contracts to ensure that they comply with established legal requirements. Like the LRU, the INCODER will have new outsourcing instruments that, while authorized by law, are not in widespread use. An example of these are "umbrella contracts" (see page 8, Umbrella Contracts).

During Q11, the Program's support to the development of the "Manual of Specific Functions and Competencies" consisted of performing an assessment to define employee functions. The assessment found that both in administrative and professional positions, there exists a high level of inconsistency between the backgrounds of hired staff and the functions they are expected to perform. This situation affects the functioning of the organization and may hinder the organization's ability to effectively accomplish its goals, because critical factors, such as performance criteria, were left out of the existing Manual.

In light of this, the new Manual of Specific Functions and Competencies changes the grades (labor ranks) and redistributes functions to avoid functional gaps that could have an impact on the proposed value chain for the Institute's new structure. This activity is being carried out through in-depth interviews with officials from the INCODER, the staff of the Institute's General Secretariat and Deputy Directorate of Planning, with case-by-case validation processes. This result will be finalized in Q12.

This activity will enable the INCODER to hire suitable public officials with the best technical capacities, competencies and skills, in order to ensure effective implementation of the Rural Development Policy.

### **Milestone 1.2.6 Reform of MARD Implemented**

#### **Activities**

##### **1.2.6.a. Strengthen MARD's Inter-Sectoral Coordination for Rural Development (Education, Communications, Roads, Electricity, Waste Water Management, Borders, and Social Protection):**

During Q11, the Program began to review the draft proposal for a new organizational structure of the Ministry of Agriculture and Rural Development (MARD) that was developed during Q9 and Q10. For this purpose, together with officials from the MARD, the DNP and the High Commission for Good Governance, the Program reviewed and identified new bottlenecks and problems currently affecting the sector related to territorial diversity and the GOC's strategy for the implementation of rural development, administration of *baldíos* (state-owned lands) and land access policies.

By the end of Q12, the Program will present a final integrated reform proposal to the High Commission for Good Governance and the MARD. The proposal will include structural reforms to the Ministry, as well as to entire agrarian public sector.

##### **1.2.6.b. Assistance to Design Legal Framework for the Prior Consultation Process:**

In Q11, the Program prepared the terms of reference (TOR) to develop an assessment of lessons learned that could help the GOC make appropriate changes to the proposed legislation or even develop administrative protocols to improve *Consulta Previa* processes. The conclusions derived from the assessment of lessons learned could be applied by the Government to construct solutions to the current problems, promote the progress of the legislative agenda, facilitate the investment processes that are subject to prior consultation, implement reformed methods for prior consultation initiatives, and effectively ensure the rights of minority communities are respected.

Currently, the Program is awaiting a response from USAID regarding the feasibility of undertaking this effort. If approved, the activity would be carried out in Q12.

##### **1.2.6.c. Strengthen the Ministry's International Cooperation Unit:**

In Q11, the Program began to support the Ministry of Agriculture's International Cooperation Unit in developing a strategic Action Plan to enhance international cooperation opportunities for the agricultural sector. This Action Plan includes an analysis of the national context today and in the near future, as well as the prospects related to the international agenda and alternatives for South-South cooperation.

The Action Plan specifies:

1. Coordination mechanisms to facilitate a strategic dialogue among members of the executive management level at various international offices present in Colombia (including bilateral as well as multilateral agencies). It defines the purpose of the meetings, frequency, stakeholders and monitoring tools.
2. Implementation mechanisms to promote a streamlined donation process (technical assistance, in kind services, economic resources, etc.).

This work with the Ministry of Agriculture, which has been carried out in coordination with the Presidential Agency for Cooperation (APC), is designed to facilitate the generation of capacities and provide sustainability to the activities of these institutions.

The Program's support, which began at the end of Q11, involves the coordination and structuring of dialogues between sector cooperation agencies and the directorates and entities attached to the Ministry. In Q12, the Program plans to generate opportunities for a more effective and simplified dialogue at a political, strategic and management level.

The main result of this activity will be the definition of a strategy and strategic roadmap to obtain international cooperation for the agricultural sector, in the context of the peace talks and a possible post-conflict scenario.

### **Pillar Challenges in Q11**

- Support coordination between Victims' Unit and the Land Restitution Unit on policies, within the framework of return processes and the comprehensive reparations for victims of the violence.
- Achieve successful results in the implementation of the PDRIET in the pilot zones, by validating key characteristics for the replication of the program at a national level, and taking into account the specific characteristics of each territory.
- Strengthen the rural land ownership formalization policy through the reform and updating of the rural cadastre, including a new institutional architecture that will make the processes sustainable.
- Support the institutional reform of the agricultural and rural sector in order to implement the policies on land and comprehensive rural development with a territorial focus.

### **Windows of Opportunity**

The new Ministry of Agriculture and Rural Development is interested in promoting a powerful institutional reform of the agricultural sector that will allow for coordinated actions at a national and territorial level that ensure effective implementation of the land and rural development policy. These actions will be aimed at reducing the country's poverty levels, generating conditions for the competitive and sustainable development of the agricultural sector, and advancing the peace and national reconciliation processes.

The GOC is interested in implementing the PDRIETs at a national level, as a comprehensive development model. This represents an important opportunity to strengthen the development of rural areas based on their specific characteristics and conditions, and to generate sustainable changes in the living conditions of the rural population.

## PILLAR 2: VICTIMS' POLICY

The Victims' and Land Restitution Law/Law 1448 of 2011 (Victims' Law) establishes an unprecedented legal framework to provide reparations and land restitution to over 4 million victims of Colombia's internal armed conflict (90% of whom were displaced by violence into abject poverty). The USAID Public Policy Program is presently providing crucial technical assistance to ensure a well-designed and coordinated institutional framework for the law's implementation, which the Government of Colombia (GOC) will carry out over the next decade.

In its third year of operation, the Program is supporting the GOC in its ambitious deployment of the Victims' Law at the regional level. As such, the Program is tasked with ensuring that the innovative institutional framework for providing victims' assistance and reparations it helped to design on the national level is effectively extended throughout the country in a flexible yet effective and efficient manner. The Program is steadfastly committed to designing innovative mechanisms and cutting-edge policy instruments with the GOC that ensure the State's offer of services and assistance responds to specific territorial circumstances and addresses victims' actual needs.

The Victims' Pillar's most important achievement in Q11 was, without a doubt, the construction of the Minimum Subsistence Index. This Index enables the GOC to transform its provision of humanitarian assistance by linking the State's offer of assistance to an evaluation that assesses two objective criteria: the severity and the urgency of a victim's unmet food, housing and healthcare needs. This will ensure that humanitarian resources are directed immediately to the most vulnerable people and will necessarily require the National System for Victims' Assistance and Comprehensive Reparations (SNARIV) to change from its sectoral approach to an integrated, relevant and timely response model. In doing so, the Index will directly help reduce the extremely high annual cost of this type of assistance for victims.

This Minimum Subsistence Index signifies the Program's highest-impact achievement during the three years that it has been involved in the implementation of the comprehensive victims' reparations policy. The Index will revolutionize the public policy for victims by overcoming the welfare-based and sectoral manner in which humanitarian aid is currently provided. This will involve the development of a structured and sustainable public policy for victims that is coordinated with all of the entities that make up the SNARIV, in order to generate a comprehensive, effective, and differential offer of services that will enable victims to empower themselves and become economic agents and social assets. The Index will also enable the Government to strengthen and promote other social programs, which, although outside the framework of the victims' policy, are essential for ensuring that victims benefit from social interventions that match their particular situations and progress, in compliance with the "do no harm" principle.

One of the main challenges for social policy in Colombia is effective and sustainable income generation for victims, which is essential to eliminating their vulnerable condition and ensuring their integration into the country's economy. In Q11, the Program assembled an 'Expert Mission' – staffed by a group of the most preeminent scholars and experts on this issue in Colombia – to identify and propose public policy solutions to address the gap that exists between the supply of and demand for income generation programs, in terms of quality, relevance and sufficiency. An Income Generation Policy that takes urban and rural differences into account and that is based on a proper characterization of the population to which it is directed can overcome the welfare perspective that has pervaded victims' assistance and reparations policies and fostered victims' dependence on subsidies and aid. Thus, the Expert Mission's findings will have a transformative effect on the effectiveness of the GOC's public investments made by 11 national institutions that implement 36 investment programs.

The Program's institutional strengthening and local capacity building activities with the Victims' Unit represent another significant advance made during Q11. This technical support is crucial to ensuring that the Victims' Unit is equipped to assess and respond to victims' needs and differential territorial conditions. As a testament to the Program's commitment to strategic planning and review at the regional level, this Quarter the Program conducted five 8-hour regional strategic planning workshops. The impressive turnout, approximately 60 officials from all of the Territorial Directorates, demonstrates that the topics were well received and reflective of local needs. Furthermore, to support its capacity building goals, the Program conducted a coaching program with 10 members of the Victims' Unit executive management team. The Program received positive feedback from coaching participants, including from the Director of the Victims' Unit, who stated that the coaching was important for her and has had a favorable impact on her relationship with her advisory team. The Program also held five training workshops for 92 technical and management officials that included experiential exercises that focused on enriching participants' understanding of concepts such as strategic alignment, motivation, teamwork, time management, organizational communications and conflict management. Lastly, the Program also hosted a workshop with 20 members of the Victim Unit's advisory team that will improve their strategic decision-making capacity and team performance.

Finally, in Q11, the Program made a key advancement in the implementation of its coordination strategy between the Victims' Unit, the DPS and entities that make up part of the Social Inclusion Sector (the National Agency for Overcoming Extreme Poverty (ANSPE), the Consolidation Unit, the Center for Historical Memory and the ICBF). With the commencement of Phase I of the three-part harmonization plan, the Victims' Unit is now one crucial step closer to advancing its mission to ensure the effective and efficient provision of services to victims.

At the conclusion of Quarter 11, the Victims' Pillar had achieved 99.4% of the results it committed itself to in the Contract and finished activities on 6 of its 10 established milestones. In Q12, by completing its institutional strengthening of the contract management processes in the Victims' Unit; the regional strengthening of SNARIV; a validation of the Minimum Subsistence Index as an instrument to measure the cessation of vulnerability; and, the conclusion of the Expert Mission on income generation programs, this Pillar will complete all of its expected milestones.

Looking towards the future, the Program sees a great opportunity for recommending an Income Generation Policy, developed with the support of the Expert Mission and based on lessons learned from past experiences, which will overcome the bottlenecks encountered by the Government in previous initiatives that have not had a significant impact. It is expected that with the implementation of this policy in Q12, victims and vulnerable populations will become protagonists who are responsible for their own transformation and empowerment, contributing to the social and economic development of the society to which they belong.

## Results, Milestones and Activities

### Result 2.1: Victims' Law Institutions Designed

#### Milestone 2.1.1 Design of Department of Social Prosperity (DPS)

#### Activity

##### 2.1.1.a. Harmonization of DPS activities:

During Q11, the Program commenced Phase I of its coordination strategy between the Victims' Unit, the DPS and entities that make up part of the Social Inclusion Sector (the National Agency for Overcoming Extreme Poverty (ANSPE), the Consolidation Unit, the Center for Historical Memory and the ICBF). The purpose of this strategy is to align their operating agendas and facilitate joint actions to ensure effective, priority access to their services by victims. The strategy was designed with the support of the Program in Q10 and consists of the following phases:

**Table No. 4. Victims' Unit and DPS Coordination Phases**

Phase I	<b>Objective:</b> Identify the types of victims' services that would be enhanced by institutional coordination and action. <b>Methodology:</b> Workshops on the central themes. <b>Results:</b> Formulation of a joint action plan, including a review of meetings, coordination and goals <b>Timetable:</b> June/ July
	<b>Objective:</b> Develop inter-institutional agreements between the DPS and UARIV and consolidate the teams. <b>Methodology:</b> Dissemination of the action plans by central theme, definition of current or permanent coordination plans, and documentation of the process. <b>Results:</b> Provide continuity to the inter-institutional work groups by strengthening their autonomous operation in accordance with the mission objectives of each office of the UARIV and DPS, with operations oriented to an action plan, and create a technical secretariat to establish and monitor the agreed agenda and present quarterly results to the managers. <b>Timetable:</b> July / August
Phase III	<b>Objective:</b> Promote the formalization of the inter-agency coordination, incorporating agreements with medium- and long-term objectives into the regular operations of the DPS and the UARIV. <b>Methodology:</b> Establish agreements at the managerial level, define legal frameworks (if required), and conduct monitoring and joint planning for 2014. <b>Results:</b> Joint planning and coordination in order to ensure a program offer that contributes to the comprehensive reparations of victims. <b>Timetable:</b> August / October

The Program moved ahead with Phase I in Q11, reviewing the entire institutional service offer of the Social Inclusion Sector in order to determine where synergies could be generated and how to enhance the flexibility of victims' access to said programs. The Program identified the following central themes: i) information flows; ii) route of comprehensive victims' assistance and reparations; iii) territorial focus; iv) methodologies; v) income generation; and vi) differential and gender focus.

In Q12, the Program will continue to support Phases II and III of the strategy to strengthen inter-agency coordination.

## **Milestone 2.1.2 Design of Victims' Unit**

### **Activities**

#### **2.1.2.a. Specialized Assistance for the Unit's Strategic Planning and Review: Comprehensive Plan to Assist in the Planning and Management of the Unit:**

Since Q9, the Program has provided technical assistance to the Victims' Unit to review, design and update its strategic framework. The Program obtained the following results in Q11:

- I. **Planning instruments alignment:** The Program held a national workshop and five workshops with the 20 Territorial Directorates (see Point iii), where participants provided feedback on the following matters, helping to align the Unit's national priorities with local needs.

The workshops thus resulted in the alignment and differentiation of concepts, which is important in implementing strategic plans that are aligned with the objectives, based on the Objective-Goal-Strategy sequence.

Finally, the Program provided the Unit with an adjusted strategic framework and a consolidated action plan that addressed the needs of the Territorial Directorates.

The methodology used is described below:

- Institutional Strategic Map: This contains strategic objectives and their relationships, classified among the different institutional perspectives selected in accordance with the Balanced Scorecard methodology<sup>23</sup>
- Strategic Goals: Coordinated with the strategic objectives
- Organizational Policies: Defined for the most important issues
- Institutional Action Plan: Activities aligned with the goals

Completing these instruments involved setting some strategic objectives, defining new objectives based on General Directorate guidelines, classifying strategic, tactical and operational goals, reducing the number of strategic goals, and creating new goals for new objectives.

The adjustments to the Institutional Action Plan involved identifying goals that had no associated activities, as well as activities that would not sufficiently contribute to the achievement of the goals with which they were associated. This review gave rise to proposals for new activities, which were later validated and adjusted in the above-mentioned workshops.

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<sup>23</sup>This methodology involves the application of planning instruments based on a determination of core ideas and ideas directly related to them, derived from the application of participatory team strategies, such as the Metaplan (an exercise with cards in which each participant contributes ideas about a specific topic and works as a member of a group to develop a collective interpretation of the issue), or rotating groups (a teamwork technique that consists of the rotation of small teams that deal with different issues simultaneously). It was supported by videos and conceptual exercises in a recreational environment which promoted active participation and facilitated the understanding of the concepts associated with the different issues being addressed.



- II. **Communications Campaign:** The Program designed the Victims' Unit's internal Communications Campaign, which seeks to strengthen the institutional culture developed through its strategic planning and review processes.

This campaign has two objectives – first, to strengthen the Unit's staff members' planning and time management skills; and second, to make them aware of the historic nature and importance of their work for the transformation of the country. The impact will be reflected in the commitment of the Unit's staff members, based on their shared mission, vision and principles.

The Communications Campaign consists of the following phases:



**Graphic 1:** Communications campaign Image for Victims Reparation Process.  
 Source: Victims' Unit

**Table No. 5. Communications Campaign Phases**

Phase 1	Phase 2	Phase 3	Phase 4
Discovering THE UNIT	Defining THE UNIT	Experiencing THE UNIT	Evolving THE UNIT
<b>Objective:</b> Generate an expectation in each one, based on its experience with its values and those of the Entity, where “attention” and “reparations” are reflected as an essential part of all.	<b>Objective:</b> Strengthen the identity features of each of the Entity's core values (consistency, planning, teamwork and commitment), which will be variables that promote the understanding and implementation of the processes for strengthening COHESION within and reflecting it outward.	<b>Objective:</b> Generate an experience capable of demonstrating how understanding the role and commitment of each one will contribute not only to the recognition of work within the Entity, but also to the image that the Entity reflects outside.	<b>Objective:</b> Activate an internal evaluation system that measures the implementation of the campaign, with the aim of strengthening concepts about the progress of the Strategy.

It is expected that the Victims' Unit will implement the internal Communication Campaign in Q12.

- III. **Strategic Planning Support at a Territorial Level:** In order to support the strategic planning at a regional level, the Program conducted five 8-hour regional strategic planning workshops, with the participation of approximately 60 officials. All of the Territorial Directorates participated in these workshops, as follows:

**Table No. 6. Victims' Unit's Strategic Territorial Planning Workshops**

Date	City	Territorial Directorates
April 3	Santa Marta	Atlántico, Bolívar, Cesar–Guajira and Magdalena
April 5	Cali	Cauca, Valle, Nariño and Putumayo
April 17	Villavicencio	Norte de Santander–Arauca; Caquetá–Huila, Centro and Meta–Llanos Orientales
April 19	Barrancabermeja	Magdalena Medio, Santander, Sucre
April 22	Pereira	Urabá, Antioquia, Choco, Eje Cafetero and Córdoba

The specific objective of each workshop was to apply the Unit's adjusted strategic plan to the territorial level and move ahead with the plans of the Territorial Directorates, linking the Regional Action Plans with institutional goals. Each workshop produced action plans of the Territorial Directorates, which are aligned with the strategic framework.



- IV. **Strengthening of the Planning Advisory Office (OAP):** To help the institutional strengthening of the OAP, the Program carried out an assessment that analyzed three specific aspects: a) the general scheme and focus of the Unit's planning, as well as the tools used for that purpose: the Strategic Plan and the Action Plan; b) the tools and instruments used during the planning; and c) the OAP's responsibilities and the distribution of functions among its staff. The assessment identified strengths and opportunities for improvement, and it led to the construction of an Improvement Plan, which will be implemented in Q12.

The Improvement Plan contains the following recommendations:

- Hold periodic OAP meetings to review its different areas of responsibility and milestones that could have an impact on its performance.
- Review and adjust the Action Plan, identifying goals for 2013 related to the Office's different functions, such as 2014 planning, budget execution programming and control, management control and accountability, and the implementation of the SGI.
- Review the server distribution in the area, and evolve to a distribution based on processes rather than subject matter.
- Document the area's procedures and standardize its planning and information management tools and instruments.
- Speak openly in the Management Committee on the Office's expectations of the liaisons appointed in the different areas and how their time and availability should be managed, especially in times of high demand by the OAP.
- Assign staff to work with the territories and seek to have the Territorial Directorates appoint liaisons for planning-related matters, in order to promote closer relations and interaction with these Directorates.

Finally, the OAP's staff received training on basic monitoring and control of institutional management concepts, and on the functionality of different types of indicators in strategic and tactical terms.

- V. **Individual Coaching:** Since Q10, the Program has supported the strengthening of the UARIV's human resources. In Q11 it carried out an analysis with 10 members of the management team to identify the skills of their colleagues and direct reports in order to redirect their activities and improve their job performance.

The Program's strategy to support the unit involved the following: a) administering a management skill diagnosis test, based on the level of the 10 participants in the coaching process; b) analyzing the requirements and limits of the participants' positions, based on their personal and professional skills; 3) conducting individual 2-hour sessions with each participant; and d) holding a two-hour follow-up session and developing a personal plan based on the participant's achievements.

The Program received positive feedback from coaching participants, including from the Director of the Victims' Unit, who stated that the coaching was important for her and has had a favorable impact on her relationship with her advisory team.

- VI. **Group Training:** The Program conducted five training workshops for technical and management officials on the "Design, coordination and execution of a comprehensive plan to provide management and planning assistance to the UARIV and its 20 Territorial Directorates." A total of 92 officials were trained. These workshops strengthened the participants' understanding of concepts such as strategic

alignment, motivation, teamwork, time management, organizational communications and conflict management.

These values were strengthened through experiential exercises that demonstrated the importance of planning, time management and teamwork. Each workshop had an average attendance of 20 participants from both the management and technical level, central and territorial level. The impact of this training was measured through a virtual survey, which was filled out by 43 of the 92 participants. In general, the survey responses show that the participants perceived an improvement in working conditions in the Comprehensive Victims' Assistance and Reparations Unit. More than 69% of the respondents had a favorable view of the behavioral changes of the management team, which is excellent news. The results of the survey lead to the conclusion that the training methodology and contents were appropriate and that they led to changes within the organization.

VII. **Strengthening of the Advisory Team of the Director of the Victims' Unit.** On May 30, the Program held a working session to strengthen the Directorate's advisory team. Twenty (20) advisors and the Unit's Director participated. This session reviewed the following strategic aspects for the good performance of the team: a) understanding and redefining the roles of each advisor; b) mechanisms to delegate duties; c) dissemination of information; d) effectiveness and relevance of dialogue; e) monitoring assigned tasks; and f) knowledge management. This activity is expected to improve the decision-making capacity of the Unit's management team.

VIII. **Strengthening of the Directorate of Registration and Information Management:** On May 3, the Program conducted a workshop on the current state of relations between the staff of the Deputy Directorate of Assessment and Registration and the National Information Network<sup>24</sup>. There were 30 in attendance at the workshop who were selected by the respective directors based on their role, capacity to influence their colleagues, and their influence on the work environment before the workshop.

The purpose of this workshop was to identify common goals, opportunities for improvement and specific improvement strategies, and to generate commitments to change.

The methodology of the workshop enabled the attendees to discuss the existence of conflicts within the team, and especially between the two Deputy Directorates. They spoke openly about the conflicts and the need for coordination, and how to overcome physical barriers imposed by distance. The members of the group were able to identify themselves as change agents, and they committed themselves to overcoming the obstacles that were preventing them from working as a single team. They discussed their common goals and their role as the starting point for the provision of reparations.

IX. **Differential Approaches Model Implementation:** In Q11, the Program conducted a workshop with the Directorate of Ethnic Affairs, the Gender Group, the Children's and Youth Group and the Disability Group. The objective of the workshop was to define schemes and mechanisms to coordinate areas involved in the Unit's differential methodologies, and to orient the work plans of the different groups. It is essential that the Unit ensure uniformity in the incorporation of these methodologies in its functions and processes.

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<sup>24</sup> The National Information Network for Victims' Assistance and Reparations will ensure that reliable national and regional information about the violations referred to in Article 3 of the Victims' Law is provided to the National System for Victims' Assistance and Reparations ([http://rni.participa.com.co/?page\\_id=460](http://rni.participa.com.co/?page_id=460)).

The workshop participants concluded that they need to work together on points where the methodologies converge (e.g., the generation of guidelines), for which a common action framework should be created. However, it remains clear that each methodology has its own characteristics and responsibilities that must be attended to.

The participants agreed to create a single document that contains guidelines to incorporate the different methodologies in the Unit's work. This document will explore each methodology conceptually and will define the principles on which specific guidelines will be established to orient the Unit's processes, procedures and routes of action, from registration to the provision of comprehensive reparations.

They also committed to creating a joint work plan for the construction of the guidelines and their incorporation in the Unit's work.

**2.1.2.b. Strengthening of the Unit's contracting and budget execution mechanisms and tools.** In Q11, the Program continued to support the Unit in maximizing the efficiency of its contracting processes, thereby enabling it to respond to the needs of victims in a timely and relevant manner. The Program designed a training program on contract planning, contracting modalities, and contract supervision and auditing for different areas of the Victims' Unit in order to enable these areas to properly define contract conditions and the relevant contractor selection process. The Program agreed to implement an initial training cycle with 10 officials who are responsible for formulating preliminary contractual studies for the Directorate of Ethnic Affairs, the Office of Internal Disciplinary Control and the Human Resources Office, which are the areas that have had the most difficulty in formulating preliminary studies. *The training consisted of the following three-hour modules:*

- i. Contract Planning
  - Normative concept
  - Recognition of its importance by the Council of State and the Constitutional Court
  - Content of the Preliminary Studies
- ii. Contracting Modalities
  - Normative concept of each contracting modality
  - Additional requirements for the preparation of preliminary studies in accordance with each contracting modality
- iii. Supervision and Auditing
  - Normative concept
  - Differentiating aspects
  - Responsibility from a fiscal, criminal and disciplinary point of view
- iv. Main questions and problems related to the preparation of preliminary studies in the UARIV
  - Questions and problems raised by the officials responsible for the preparation of preliminary studies and those who review them in the UARIV
  - Responses and suggestions

In Q12, the Program will complete training modules III and IV, beginning with the Directorate of Social and Humanitarian Management.

As a complement to the strengthening of the Unit's contractual processes, the Program proposed the creation of an internal contract planning support group to advise the General Directorate, made up of the following members:

1. The head of the Contract Management Group or his/her delegate, an expert on the preparation of preliminary studies.
2. A delegate of the Financial Management Group and an accounting expert on budgets.
3. A delegate of the Planning Advisory Office.
4. A delegate of each of the directorates responsible for execution whose duties include the preparation of preliminary studies.

The group's main objective will be the ongoing training of the officials responsible for the preparation of preliminary studies in each of the Unit's mission and support offices, to ensure that the contractual requests for goods and/or services made to the Contracts Office are clear and in complete compliance with the law, so that they can be addressed effectively. The group will also resolve legal and budget issues related to preliminary studies. This proposal was accepted and will be implemented in 2014, and the Program will help to prepare an administrative resolution for its creation.

## **Result 2.2: National Plan Victims' Humanitarian Assistance and Reparations**

### **Milestone 2.2.2 Improved service delivery for victims**

#### **Activities**

##### **2.2.2. a. Making services and programs more flexible: Phase 2**

During Q11, an Expert Mission, consisting of permanent senior consultants contracted by the Program, began reviewing the income generation policy for extremely poor victims of the armed conflict. The Mission will study the main bottlenecks that are preventing this population from gaining access to public income generation services.

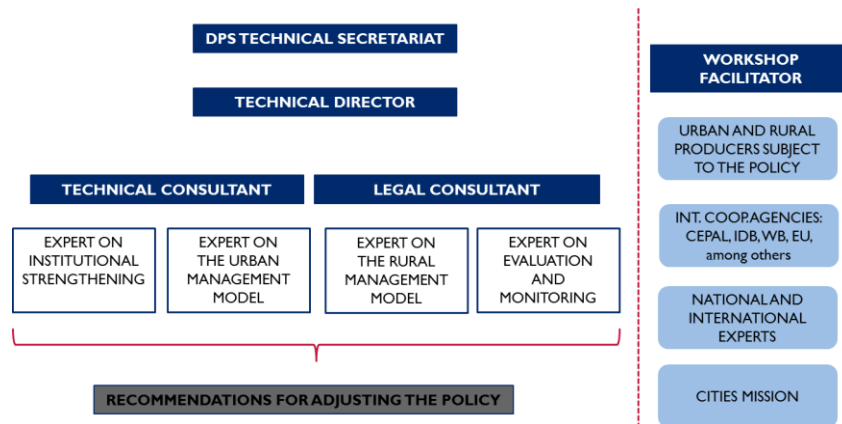
The income generation policy for this population is designed to achieve socio-economic stabilization through capacity building and asset accumulation under entrepreneurship and/or employment programs.

One of the main challenges for social policy in Colombia is effective and sustainable income generation for victims, which is essential in eliminating their vulnerable condition and ensuring their integration into the country's economy.

In this regard, it is necessary to identify and eliminate the gaps that exist between the supply of and demand for income-generation programs, in terms of quality, relevance and sufficiency. This will have a fundamental impact on the effectiveness of public investments made by 11 national institutions that implement 36 investment programs.

The Expert Mission has a central team of seven consultants and a feedback team of eight consultants to enrich the debate on recommendations to modify the policy and its related instruments. The Mission will also conduct a feedback and analysis process with other relevant actors, such as international cooperation agencies, the Cities Mission, urban and rural producers, and others who participate in the State's offer of services. In constructing this interdisciplinary team, the Program specifically hired the country's best-known experts in their areas. The Program is facilitating dialogue among them, as well as

providing space for coordination and reflection about lessons learned in the past, with all the key actors for the income generation policy.



**Chart 4:** Report on the Income-Generation Policy for the Extremely Poor Population and Victims of the Conflict.  
 Source: Public Policy Program

This process began with a presentation of the expectations of the Director of the DPS, who is leading the implementation of this policy. The Mission's mandate is broad and structural: this group of renowned Colombian experts is to make all recommendations that it deems appropriate to improve the impact of the public policy and transform the lives of the members of the target population.

What will be most important is not the recommendation of highly complex, long-term reforms, but rather the proposal of transformative measures to be implemented by the Government as a whole in the short-, medium- and long-term for the development of an effective policy.

### 2.2.2.b. Make Available Financial Instruments Tailored to the Needs of the Population in Rural and Consolidation Areas, Victims and Vulnerable Populations:

Compensation payments: The Victims' Unit is responsible for paying compensation to victims and providing them with support through an assistance plan, which is established in the Victims Law<sup>25</sup>. In 2012, the Victims' Unit awarded US\$ 500 million to 155,000 victims; in 2013, its compensation budget is US\$ 350 million and its goal is to compensate 100,000 victims. The average one-time payment per victim is US\$ 3,000. Reparations awarded in administrative proceedings can total up to 40 times the legal minimum monthly wage (US\$ 12,000), and the amount awarded in judicial proceedings will depend on the judge's determination.

During Q11 the Program conducted a market analysis and legal studies to determine the parameters for selecting a financial institution to make these compensation payments<sup>26</sup>. These studies will aid the Victim's Unit in developing the bid specifications for awarding compensation payments. The objectives of

<sup>25</sup> Article 134 of Law 1448 of 2011 and Article 157 of Decree 4800 of 2011 establish that the UNARIV should implement a Assistance Program to help support the appropriate investment of resources that victims receive as administrative compensation to reconstruct their lives, with the principal aims of:

1. Technical or vocational training for victims or their children.
2. Creation or strengthening of productive enterprises or productive assets.
3. Purchase or improvement of new or used housing.
4. Purchase of rural property.

<sup>26</sup> The Victims' Law stipulates the conditions under which victims are entitled to financial reparations for the violation of their rights. Under the law, victims may qualify for two distinct classes of payments: compensation payments (awarded by judges through administrative procedures) and humanitarian assistance (public subsidies for housing, food and health).

the new payment awards are to improve operating and security processes, minimize financial costs, promote financial inclusion and the victims' ability to adequately invest their compensation. The bid specifications will be developed in Q12 and the payments are expected to be awarded at the end of 2013.

*Humanitarian assistance payments:* During Q11, the Program presented the Victims' Unit with the market analysis and legal studies that it carried out in Q10 to determine the parameters for selecting financial institutions to make close to one million individual humanitarian assistance payments. These studies will aid the Victim's Unit in developing the bid specifications for awarding humanitarian assistance payments pursuant to Article 2.1.1 of Decree 734/12. The objectives of the new payment awards are to improve operating and security processes, minimize financial costs, and diversify payment channels for victims. The Program also presented the studies to the ICBF, which is the other public institution that will be responsible for making humanitarian assistance payments beginning in 2013. The objective is for the ICBF to be able to benefit from the Victims Unit's award of humanitarian assistance. The Victim's Unit is currently carrying out the budget processes necessary to open the public bid. The Program expects to support the Unit in the development of the bid specifications during Q12.

### **Milestone 2.2.3 SNARIV Strengthened to Monitor Agency Action Plans**

#### **Activity**

#### **2.2.3.a. Strengthening the SNARIV: Concept of Minimum Subsistence with an Ethnic Focus**

Without a doubt, the construction of an index that enables the Government to measure families' unmet food, housing and healthcare needs has been the Program's highest-impact achievement during the three years that it has been involved in the implementation of the comprehensive victims' reparations policy. In Q10, the Program provided high-level legal advice for the formulation of the concept of minimum subsistence in accordance with constitutional and legal provisions, based on a practical and realistic orientation in accordance with the Government's resources and capacities. In Q11, building on previous progress, the Program incorporated a differential ethnic and gender focus in the measurement, which will permit the Victims' Unit to apply this Index to ethnic communities (indigenous, black and Roma).

During Q11, the Program provided technical assistance to the Victims' Unit in the following phases of the implementation of the Minimum Subsistence Index:

- I. **Conceptual Phase:** In Q11, the Program built on its work from Q10 and incorporated an ethnic focus in the Index, taking into account individual and collective ethnic interests. This will enable the Colombian Government to identify ethnic groups that are at greatest risk of extinction, as well as traditional or community authorities, in order to respond to their needs on a priority basis, and thereby safeguard their physical existence and culture. In terms of the differential gender focus, the Program developed prioritization criteria under which nursing mothers, pregnant women and female heads of households would have priority in receiving humanitarian aid.
- II. **Instrumental Phase:** Indices were formulated to put the concept of Minimum Subsistence into practice. The Public Policy Program also assisted in adapting the instruments used by the Unit to characterize the victims, by incorporating ethnic and gender criteria that will make it possible to promptly measure the degree of minimum subsistence in all cases.



- III. **Advocacy Phase:** The Program helped the Victims' Unit strategically prepare meetings to present and validate the Minimum Subsistence concept, first with the Director of the Victims' Unit; secondly, with other entities that will share responsibility for implementing the Index, such as the Colombian Family Welfare Institute; and, finally, with the Director of the Department of Social Prosperity. The concept has received full approval from all of the respective decision makers.
- IV. **Systematization Phase:** In Q11, the Program conducted a study of the technical specifications and non-functional requirements for the design of the computer system that will be used to measure minimum subsistence. In Q12, the Program will deliver this system to the Victims' Unit after it has been developed and tested.

The Minimum Subsistence Index will enable decision makers to determine whether unsatisfied needs are serious and urgent, and to establish prioritization and targeting criteria. This will ensure that humanitarian resources are directed immediately to the most vulnerable people.<sup>27</sup> The Index will directly help reduce the extremely high annual cost of this type of assistance for victims.<sup>28</sup> In addition, use of the Index will comply with the principle of "do no harm", which must prevail in all interventions<sup>29</sup>.

#### **2.2.3.a. Strengthening the SNARIV: Overcoming the Unconstitutional State of Affairs.**

In Q11, to help ensure that the Government implements public policies on socioeconomic topics that conform to the requirements established by the Constitutional Court<sup>30</sup>, the Public Policy Program assisted the Victims' Unit with the preparation of an analysis of the Unit's compliance with Constitutional Court orders on five fundamental issues: a) gender; b) age groups; c) ethnic groups; d) overcoming the unconstitutional state of affairs; and e) joint responsibility. The Program's analysis of each of these issues will enable the Government to determine the status of compliance with the Court's requirements. In Q12, the Program will organize training for the officials who are responsible for preparing reports for the Court, in order to overcome weaknesses in the Government's response and to enable the Government to demonstrate the results and impact of its efforts to correct the unconstitutional state of affairs.

In addition, with the same aim, the Program also assisted the Unit in the formulation of a plan to improve institutional coordination in order to provide a comprehensive and coherent response to the Constitutional Court. Different entities, including the Victims' Unit, must provide information to the Court.

#### **2.2.3.a. Strengthening the SNARIV: Monitoring System.**

In Q11, the Program delivered the design and technical specifications for a Monitoring and Evaluation System for the Victims' Unit.

The System's design contains the following modules:

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<sup>27</sup> From 2010 to April 30, 2013, the Government responded to 2,105,365 requests for humanitarian aid.

<sup>28</sup> In 2012, the Victims' Unit granted \$809,406,493,650 in humanitarian aid, and it has invested \$61,638,914,500 this year. Sources: Interim Report 2012.12.28. Management Report, January 2013

<sup>29</sup> Humanitarian assistance should be exceptional and limited in time, because the greater the assistance, the less the chance that the victims will develop their own coping strategies.

<sup>30</sup> Requirements contained in Decision 025/2004 and Constitutional Court orders to correct the unconstitutional state of affair, specifically in the following areas: Nation-Territory Coordination and Differential Approaches with respect to Gender, Children and Adolescents, Ethnic Groups and Disabled People.

- **User Management Module:** defines the organizational chart of the different entities involved in the SNARIV, and the positions in each area that are responsible for functions, projects, actions, and the uploading of information.
- **External Information Module:** defines the information gathering parameters by duly authorized officials (by automatic uploads from external databases or flat files or through direct entry into the system).
- **External Information Upload/Consultation Module:** allows for the uploading and consulting of information obtained from external databases, based on the level of authorization of each official. It will allow for the uploading of information directly from external databases and flat files, or through direct entry. Users may consult this information or obtain verification reports to determine whether the uploaded information is complete.
- **Project and Function Management Module:** allows users to create, update and enter documentation on new projects, functions, implementation strategies or actions, based on their authorization level. The person responsible for an action will be able to subdivide it into a series of tasks that can be assigned to different individuals.
- **Reporting Module:** generates printed reports on system operation, including lists of products and functions, general project reports, external information lists entered for review, and a report describing an entity's organizational structure and officials. It should be noted that the contract for this module includes implementation of only four reports, but more may be required.

This system will enable the SNARIV to determine the validity of actions, monitor activities and compare achievements with goals, and to continuously monitor compliance with institutional commitments.

### **Milestone 2.2.4 Support Implementation of the Cessation of Vulnerability Index**

#### **Activity**

##### **2.2.4.a. Determining When the Condition of Vulnerability of Victims Ceases:<sup>31</sup>**

In Q11 the Program began to analyze the technical specifications and non-functional requirements for the design of the software that will be used to measure Minimum Subsistence.

The Government recently decided to implement a pilot program in October 2013 that will be used to develop indicators to measure the cessation of vulnerability. In the meantime, The Program believes that it is essential to ensure the proper implementation of the Minimum Subsistence Index<sup>32</sup>, since it accounts for 90% of the measurement of the cessation of vulnerability. This means that victims whose minimum subsistence needs have been satisfied require only an additional 10% of support, through education or employment measures that will enable them to support themselves and thereby cease their vulnerability.

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<sup>31</sup> When the condition of vulnerability ceases refers to a state in which the victim is effectively enjoying his/her rights and has been able to reestablish him/herself socially and economically and his/her rights have been reestablished.

<sup>32</sup> Reaching a minimum subsistence level is the necessary first step towards ending vulnerability but is not sufficient to doing so.



### **Milestone 2.2.5 Design and Implementation of Regional Reparations Plans**

#### **Activities**

##### **2.2.5.a. Design Mechanisms to Monitor Regional Action Plans**

During Year 2, the Program assisted the Victims' Unit with the design of methodological guides to enable territorial entities to establish their respective Regional Action Plans (PATs), which currently cover more than 1,000 municipalities, representing 90% of the country.

The Program's objective in Year 3 is to provide the Victims' Unit with a tool to measure the impact of these plans in terms of attention, assistance and reparations for victims at a territorial level. This monitoring mechanism will be important not only to enhance performance, but also to discern the impact of the implementation of the Victims' Law on the lives of victims in the territory.

In Q11, the Program's strategy was focused on designing a matrix that would serve as a reference for territorial entities in modifying their Regional Action Plans. This matrix contains high-impact actions for each of the five components of the public policy on victims: i) Truth, ii) Justice, iii) Prevention and Protection, iv) Attention and Assistance, and v) Comprehensive Reparations, with the following cross-cutting elements: i) Differential Focus, ii) Territorial Focus, iii) Psycho-social Focus, iv) Participation, and v) Information Systems.

The matrix designed by the Program will add value to the minimum actions that all Regional Action Plans should include to respond to different victimizing events (forced disappearance, illegal recruitment, anti-personnel mines, forced displacement, sexual violence, land seizure, kidnapping, homicide and murder, etc.). It will also serve as a reference for territorial authorities, consolidating the inventory of actions to be taken for each type of violation that occurs in their territory.

In Q12, the Program will support the Victims' Unit in developing the listed indicators that will be used to measure the impact and efficiency of the Regional Action Plans, based on the actions identified in the matrix as having a large impact on victims. The Program will also provide the Unit with the technological applications with which the Regional Action Plans can be monitored on the basis of these indicators.

##### **2.2.5.b. Design Mechanisms to Monitor Regional Action Plans: Training in the Territories on the Formulation of Co-Financing Projects That Will Benefit Victims**

In Q11, the Program held two-day workshops in the Departments of Bolívar, Antioquia, Meta and Santander to strengthen local capacities for formulating projects for obtaining resources from royalties and other sources using the General Adjusted Methodology (MGA). These workshops provided feedback on proposals presented by the territorial entities. As a result of the workshops, 48 co-financing projects were presented to the Victims' Unit in response to its invitation, and the Unit will award 17 billion pesos for projects that benefit victims. Of these 48 projects, approximately 20 will pass to the technical evaluation phase, which is a good indicator of the significant potential in the regions. The Program is assisting the Unit in the evaluation of the projects by providing human resources and a methodology developed by an expert.

In addition to training workshops, the Program provided the Unit with important project formulation inputs, based on a methodology that employs practical examples for the monetary quantification of tangible and intangible benefits, something that presents a high degree of difficulty in applying the MGA.

### **2.2.5.c. Strategic Orientation of the Operation of Transitional Justice Committees**

In Q11, the Program and the Victims' Unit made an effort to strengthen the institutional capacities of the Transitional Justice Committees. After jointly analyzing which strategic topics should be introduced in local agendas, and considering which issues the Committees lack experience and local knowledge about, the Program and Victims' Unit identified four very important topics to be promoted during 2013: i) Measures of Satisfaction, ii) Guarantees of No Repetition, iii) Collective Reparations, and iv) Return and Relocation. In addition, the Program and VU selected the differential approach, victims' participation, inter-institutional cooperation and the functions and operations of the Committees as cross-cutting themes. The Program, in accordance with these dominant themes, proposed that, as a part of the methodology development in Q12, 4 field visits to the territories be conducted in order to be able to incorporate the local perspective in this work.

In a complementary effort, the Program, at the request of the Unit, began to study the roles and profiles of the members of the Transitional Justice Committees as mandated by the law. This exercise will be completed in Q12.

As a result of this Q12 activity, the Program will provide technical assistance to develop thematic guides that will be distributed to all of the Transitional Justice Committees in the country in order to influence local agendas with respect to the implementation of the Victims' Law.

### **2.2.5.d. Regulation of the System of Joint Responsibilities:**

In Q11, the Program disseminated the proposed regulations of a System of Territorial Joint Responsibilities for the implementation of Law 1448 of 2011<sup>33</sup>, with its respective recommendations, to senior government officials and, especially, central level authorities. In Q12, the Program will respond to the GOC's feedback on this proposal, and will continue to promote the issue of joint responsibility.

### **Q11 Policy Pillar Instruments Delivered**

- Proposed regulations of a System of Territorial Joint Responsibilities to implement Law 1449.
- Framework of actions to be included in the Regional Action Plans, based on different victimizing events (Matrix).
- Measurement of the General Minimum Subsistence Index with an Ethnic Focus for indigenous, black and Roma communities.
- Status of compliance with the orders contained in Decision T025 and monitoring orders.
- Improvement Plan for the inter-institutional constitutional committees established to respond to the Constitutional Court.
- Document containing the administrative act through which these committees will be created, establishing their members, functions and meeting frequency.
- Methodology for monetarily quantifying tangible and intangible benefits.
- Methodology for evaluating co-financing projects.
- Adjusted Institutional Strategic Framework (Objectives, Goals, Strategies, Policies and Indicators).
- Consolidated institutional action plan of the Victims' Unit, aligned with the Unit's strategic framework.
- Diagnosis and Improvement Plan for the Victims' Unit's Planning Office.

<sup>33</sup> The System of Joint Responsibilities is based on the following principles:

- a. Complementarity: The Nation and the Territorial Entity provide reciprocal collaboration for perfecting the provision of a service or compliance with an obligation.
- b. Subsidiarity: The Nation directly assumes an obligation that is assigned to the Territorial Entity.
- c. Concurrence: The Nation and the Territorial Entity act jointly in a timely manner, respecting each other's scope of action.

- Design of the Communications Campaign to strengthen an institutional culture oriented to strategic planning and review.

## **Q11 Pillar Challenges & Response Strategy**

### ***Challenge 1: Peace Process***

The negotiation of a potential Peace Agreement, which is being undertaken in Cuba between the Government of Colombia and the FARC, remains a significant challenge in terms of the real capacity for proposing alternative institutional responses with respect to the possible results of this negotiation.

With respect to the victims' agenda, the Program is concerned that there is no evidence of any clear coordination and/or participation by the competent authorities with the negotiating team in planning specific victim-related policies and actions. Moreover, even if such participation is occurring, it appears that the technical teams that are planning and budgeting for 2013 and 2014 priorities are not considering the impacts that a successful peace process might produce.

Given the sensitive and confidential nature of this process, identifying and establishing guidelines to collaborate with and support the Government in order to provide these types of analyses and alternative plans remains a challenge. The Program would be in a position to provide technical tools for this purpose, in the context of its current Work Plan, based on the decisions of the USAID Mission.

### ***Challenge 2: Information Systems***

The GOC's lack of joint information systems, which would enable the members of the SNARIV to exchange information on the characterization of assisted population groups, the measures that have been adopted, and the programs that are being developed, is a major weakness. Because of this, there is no comprehensive characterization of victims of the armed conflict, and it is not possible to develop a comprehensive view of the Government's efforts and the results obtained in overcoming the unconstitutional state of affairs with respect to the provision of comprehensive assistance to victims. Clearly, there are no effective monitoring and measurement systems.

For this reason, the Program began supporting the design of monitoring systems for Regional Action Plans and Minimum Subsistence Measurements (Activities 2.2.5.a Work Plan Year 3). It is expected that these systems will be converted into information system modules, which will be progressively developed by the Victims Unit, and whose updated information will be available to different government decision makers.

## **PILLAR 3: CONSOLIDATION POLICY**

The Government of Colombia's (GOC) National Territorial Consolidation Policy (PNCT) aims to overcome the root causes of the internal armed conflict in Colombia, by establishing a State presence in the 58 most vulnerable municipalities affected by violence, extreme poverty, and drug trafficking. The GOC's Territorial Consolidation Unit (TCU) is the lead agency responsible for its execution and coordinates a substantial annual investment of US\$ 83 million. With these resources, the State is able to achieve three major goals: maintain security conditions and strengthen the presence of state institutions in consolidation municipalities; create sustainable conditions to transform the quality of life of the municipalities' inhabitants; and, restore confidence in government actions and the rule of law.

The USAID Public Policy Program has provided technical assistance for the design of the National Consolidation Plan (NCP) since its inception. In Q11, the Program continued its crucial support to the TCU through the development of transformative measurement instruments, innovative strategy tools, and institutional capacity building measures. In delivering this assistance, the Program is now very close to achieving the results it committed itself to under the Consolidation Pillar of the Performance Work Statement (PWS). While these tools will ensure the continuity of the Program's efforts, now more than ever, strong public institutions and aligned public management systems play a definitive role in the creation of conditions for peace and development.

The Consolidation Pillar's most impressive and significant achievement in Q11 was its design and implementation of the Consolidation Index, which will be used to perform several measurements over time to monitor and compare the progress made in the NCP's target municipalities. This will enable the GOC to assign specific goals for each indicator and to verify their periodic performance. Even more importantly, it will serve as a critical tool to objectively analyze the effectiveness of the public investments made under each Policy component within each of these municipalities, as well as provide data about the overall results achieved by the Policy.

In Q11, the Program tested the effectiveness of the Consolidation Index through pilot tests in three consolidation municipalities – Montelíbano (Córdoba), San Juan de Arama (Meta) and Tumaco (Nariño). These pilot programs are close to completion and, for the first time, real information exists with which the GOC can determine the evolution and results of the consolidation process in these municipalities. The Consolidation Index will be implemented in the nine current consolidation zones and in all target municipalities in the coming months. This represents a decisive advance in the government's ability to monitor the results of the National Territorial Consolidation Policy, and perhaps most substantially, a crucial tool for making appropriate decisions essential for the creation of effective conditions for peace in Colombia.

The Program also advanced in its efforts to support the GOC become more flexible in its offer of services within the consolidation zones in Q11. This Quarter, the Program prepared a technical assessment report that identified the problems faced by the NTCP sectors in making their programs and services available in and customized to consolidation zones. In conducting the qualitative and quantitative research for the report, the Program focused its analysis on the State's offer of services in infrastructure (roads, electricity, telecommunications, aqueduct and sewage); social (health, education, and technical and technological training programs); and income generation areas. The report's conclusions demonstrate that the current offer of services by State entities does not respond to the needs of the consolidation zones.

As a result of this finding, the Program proposed the strategic concept of "flexibility enhancement" to improve the State's offer of services during Q11. This concept seeks to reduce national entities' inflexibility when it comes to their provision of services. Instead of relying on routine practices, the flexibility-enhancement strategy encourages these entities to tailor their efforts to the needs of the consolidation zones in three priority areas: poverty reduction; promotion of the rule of law and citizen confidence in government; and income generation, infrastructure development, and the provision of social services. The flexibility-enhancement strategy is crucially important for the Consolidation Unit, because it will improve the way in which the Unit works with State entities. It will also enable the Unit to make specific service requests based on the actual needs of the targeted zones, at the same time as it considers the real capacities of the sectors.

Beyond identifying these important findings, the Program also encouraged the GOC to adopt a flexible and dynamic approach to program planning through the Rapid Response Program. Although based on a sound public policy foundation, the RRP lacked an Operations Manual with a clear strategic design. Therefore, in Q11 the Program advised the Consolidation Unit in the production of a new Manual that describes the RRP's specific goals. The RRP defined its objectives to include capacity building that enables good governance and the strengthening of citizen participation in the design and implementation of rapid response projects. The Program's capacity building support on this Manual will be instrumental in ensuring that the RRP's activities respond to its mission objective of building local capacity and the trust of citizens.

In addition, one of the GOC's most important priorities within the regions is to build local capacity to develop projects that are financed with resources from the National Royalties System. During Q11, the Program monitored and supported the execution of royalty resources in the consolidation zones by offering specialized technical assistance to territorial entities. As a result, 51 Consolidation municipalities designed projects to access royalty funds, which amounted to a total of US\$ 37M. More importantly, these municipalities now have the knowledge and experience to regularly and successfully access these resources.

At the conclusion of Quarter 11, the Victims' Pillar had achieved 96% of the results it committed itself to in the Contract and has already finished activities on 3 of its 6 established milestones. In Q12, by completing its institutional strengthening of the Consolidation Unit's contract management processes; finalizing the National Consolidation Policy's Monitoring and Evaluation System, which will integrate indicators from the Regional Action Plans; and, with the entry into force of the Decree which regulates the PNCT's Coordination System, this Pillar will fulfill all of its expected milestones.

## **Results, Milestones and Activities**

### **Result 3.1: National Consolidation Policy (NCP) Framework Revised and Under Implementation**

#### **Milestone 3.1.1 Revised NCP Framework**

##### **Activities**

##### **3.1.1.a. Assistance for Developing the Consolidation Policy Framework:**

In Q10 the USAID, Public Policy Program staff assisted the Consolidation Unit in designing the conceptual framework, structuring and the drafting the Decree that regulates the Planning, Coordination and Monitoring System for the National Territorial Consolidation and Reconstruction Policy approved by President Santos during this reporting period. Currently the decree is awaiting signature from the ministries involved, this new regulatory instrument defines the decision-making offices, the coordination mechanisms, and the instruments for monitoring the intersectoral intervention in the areas targeted by the National Territorial Consolidation and Reconstruction Policy.

To facilitate the Decree's implementation, in Q11 the Program supported the Consolidation Unit in the drafting of an Operations Manual for the monitoring system, providing technical support for mapping processes and determining procedural guidelines to implement the tasks set forth in the Decree. During Q11, the Program completed its design of an original and much-needed Operations Manual for the Unit. This task will be completed during Q12.

The Decree also specifies the entities that comprise the system and stipulates the coordination mechanisms that will be created to harmonize each entity's efforts within the consolidation zones. In addition, it contains measurement instruments to follow up on commitments, monitor implementation of tasks, and, in some cases, review the frequency of technical subcommittee meetings. The Office of the President will head these monitoring activities. This Decree has turned into a crucial mechanism, not only for the National Consolidation Policy implementation but also for promoting investment in consolidation areas.

The Decree and the Operations Manual, represents an opportunity for the Consolidation Unit to strengthen its legitimacy with the coordinating national entities that are involved in the implementation of the Consolidation Policy. Furthermore, these policy instruments will become key tools for the monitoring and achievement of the GOC's policy goals. These two policy instruments will complete this milestone.

### **3.1.1.b. Feedback on the Documents That Define the Illegal Crop Replacement Policy and Strategy:**

The Presidential Adviser for Social Action administered the GOC's Illicit Crop Eradication Program until the creation of the Territorial Consolidation Unit (UACT) in 2011. When the UACT was created, the Illicit Crop Eradication Program was included within its structure, under the auspices of the Illicit Crop Program (PCI) Directorate. The PCI provides a set of actions to restore the rights of communities that have been vulnerable to the production of illicit crops. However, as of today, the PCI has yet to achieve full coordination with the Consolidation Unit's operational model.

In Q11, in the absence of an operations and contracting model, the Program began supporting the PCI to define its strategy based on the Value Chain Methodology.<sup>34</sup> This approach ensures that resources are appropriately used to fulfill the entity's objectives. For this purpose, the Program started to design an operational model that includes processes and procedures for program management and oversight of the eradication of illicit crops. By Q12, the PCI will have a Value Chain Methodology-informed Operations Manual that will allow it to design processes that add value and respond to the Unit's needs.

### **Milestone 3.1.3 Improved Service Delivery in Consolidation Zones<sup>35</sup>**

#### **Activities**

#### **3.1.3.a. Support in Enhancing the Flexibility of the National Service Provision to Consolidation Zones:<sup>36</sup>**

During Q11, the Program prepared a technical assessment report that identified the problems faced by the NTCP sectors in making their programs and services available in consolidation zones. The technical assessment also documented the difficulties the NTCP sectors had tailoring these activities to the needs of their inhabitants. This mixed-methods technical assessment was informed by qualitative and quantitative research. First, the Program conducted in-depth interviews with officials from the Consolidation Unit and key GOC Ministries (Agriculture, Mines and Energy, Transportation, Health, and Education) to assess their perception of the GOC's provision of services in the regions. Next, the Program reviewed and analyzed statistics from the same entities on their service delivery.

<sup>34</sup> This methodology ensures that each activity adds to the overall value of the Unit's results and represents a rational utilization of resources oriented toward fulfillment of the Unit's objectives.

<sup>35</sup> Year 2 Work Plan Activity "3.1.3.b. Guidelines to customize sectorial services" efforts are now implemented under Year 3 Work Plan activities 3.1.3.a., 3.1.3.c., and 3.1.4 (*Contrato-Plan*).

<sup>36</sup> Year 2 Work Plan Activity "3.1.1.a. Sector Action Plans for Consolidation Zones" is now covered under Year 3 Work Plan Activity 3.1.3.a.



The Program's analysis of the State's offer of services focused on the following sectors:

- Infrastructure (roads, electricity, telecommunications, aqueduct and sewage);
- Social (health, education, and technical and technological training programs);
- Income generation.

This assessment concluded that the current offer of services by State entities does not respond to the needs of the consolidation zones because of the following:

- The State's offer is not well-structured, nor is it internally or externally coordinated to resolve specific problems.
- The requirements do not take into account the particular conditions of the consolidation zones.
- In general, the programs designed by State entities do not target consolidation zones, do not include a territorial focus, and do not have the dissemination tools required to make the regions aware of them.
- The budgets of Government entities can only be executed annually, and there are no longer-term proposals.
- Some of the service offers are not relevant for the particular environments of the consolidation zones.
- There are no training programs to improve project development, which is one of the main obstacles to providing access to public resources.<sup>37</sup>

As part of this technical assessment, the Program proposed the concept of “flexibility-enhancement strategy” (“*flexibilización*”), which it defined to mean “the adaptation of the offer of services by entities to address specific circumstances in the consolidation zones. This flexibility allows for different dialogues, different percentages of co-funding, and different time periods and requirements for providing substantial assistance.”

The flexibility-enhancement strategy is very important for the Consolidation Unit, because it will improve the way in which the Unit works with State entities. It will enable the Unit to make specific service requests based on the actual needs of the targeted zones, at the same time as it considers the real capacities of the sectors.

In other words, the flexibility-enhancement strategy seeks to reduce national entities' inflexibility when it comes to their provision of services. Instead of relying on routine practices, the flexibility-enhancement strategy encourages these entities to tailor their efforts to the needs of the consolidation zones in three priority areas: poverty reduction; promotion of the rule of law and citizen confidence in government; and income generation, infrastructure development, and the provision of social services.

In addition to providing recommendations for coordinating actions between national entities, the technical assessment report suggests mechanisms to focus resources and actions (for example open calls for competitive proposals). The technical report also proposes amending national institutions' budget allocations for investment in consolidation zones, as well as advocates for program development to be tailored to these areas.

The Program plans to deliver the final results of this consultation to the Unit in Q12. The Unit is expected to use the report's findings to improve the impact of its coordination activities and to negotiate with relevant State entities about their programs, methods and resources, with the ultimate aim of ensuring GOC services and programs meet the needs of consolidation zones.

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<sup>37</sup> The complete results of the assessment will be delivered as a product from the team of experts contracted to conduct this activity.



**3.1.3.b. Design and Implementation of a Dashboard to Monitor Ministries' Commitments:**

During Q10, the Program completed the design of a dashboard that will allow the Consolidation Unit to monitor inter-sectoral management in the consolidation zones. The construction of the dashboard started in October 2012 with the definition of sectoral indicators that measure the performance of each entity in the consolidation zones. The UACT's teams initially defined and thereafter submitted these indicators to the National Planning Department (DNP) for validation purposes. The indicators were initially validated by the DNP and subsequently authenticated by each of the sectors. In the end, a total of 88 indicators were agreed upon by 30 entities of the National Government.

In Q11, the Consolidation Unit, the High Commission for Good Governance and the National Planning Department continued to work with different State entities to validate whether the dashboard indicators that the DNP submitted on the entities' behalf correspond with the true needs and goals of each entity.

This tool is currently under review by the Office of the President of the Republic. When the dashboard is approved, the Office of the President will use it monitor GOC entities' investment commitments.

In Q12, the Program will incorporate dashboard elements in the Monitoring and Evaluation System in order to measure Central Government entities' investments in the consolidation zones. This system is under design and will be discussed in more detail in Activity 3.2.1.c of this QR.

**Milestone 3.1.4 Design of Interagency and Inter-Governmental Budget and Coordination Mechanisms<sup>38</sup>****Activities****3.1.4.a. Support Consolidation Unit Management Coordination Mechanisms with Other Inter-Agency Development or Coordination Mechanisms Present in Consolidation Zones:****Development of Royalty Projects:**

During Q10, the Program concluded the internal capacity building workshops to assist territorial entities develop projects financed with resources from the National Royalties System, which was an important GOC goal.

During Q11, the Program monitored and supported the execution of royalty resources in the consolidation zones by offering specialized technical assistance to territorial entities. The Program made itself available to municipal governments and other USAID implementers (for example, the Consolidation and Enhanced Livelihood Initiative - CELI) in order to respond to specific requests about the project financing process and to troubleshoot issues and concerns with project applications. The Program also connected local governments and project implementers with the relevant contacts within the DNP on project proposals related to public roadways, aqueducts, sports stadiums, etc.

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<sup>38</sup> Year 2 Work Plan Activity "3.1.3.b. Guidelines to customize sectorial services" efforts are now implemented under Year 3 Work Plan activities 3.1.3.a., 3.1.3.c., and 3.1.4 (Contrato-Plan).

A summary of the type of resources approved follows:

**Approved resources:** The following table lists the percentage of approvals made based on the projects approved as of April 2013 and the resources allocated.<sup>39</sup>

**Table No. 7. Local Projects to be Funded with National Royalties System Funds**

Department	Municipality	Direct Royalties <sup>40</sup> in US\$	Indirect Royalties <sup>41</sup> in US\$	Total Royalties Funds Available (2012-2014) in US\$	No. of Projects Developed to be Funded with Royalties Funds	Value of Developed Projects in US\$	% of Royalties Funds Committed to Developed Projects
<b>Antioquia</b>	Anorí	\$ 284,865	\$ 1,025,405	\$ 1,310,270			0%
	Briceño	\$ 30,270	\$ 535,676	\$ 565,946	1	\$ 82,703	15%
	Cáceres	\$ 1,700,000	\$ 2,208,649	\$ 3,908,649			0%
	Caucasia	\$ 1,790,811	\$ 6,588,649	\$ 8,379,459	2	\$ 1,177,838	14%
	El Bagre	\$ 2,229,730	\$ 3,008,649	\$ 5,238,378	2	\$ 1,581,081	30%
	Ituango		\$ 1,334,595	\$ 1,334,595	1	\$ 366,486	27%
	Nechí	\$ 1,370,811	\$ 1,560,000	\$ 2,930,811	3	\$ 758,378	26%
	Tarazá	\$ 4,819,459	\$ 2,488,649	\$ 7,308,108	12	\$ 1,354,595	19%
	Valdivia	\$ 110,811	\$ 1,300,541	\$ 1,411,351	2	\$ 351,351	25%
	Zaragoza	\$ 1,328,649	\$ 1,845,946	\$ 3,174,595	1	\$ 1,512,973	48%
<b>Bolívar</b>	El Carmen de Bolívar		\$ 4,521,081	\$ 4,521,081			0%
	San Jacinto		\$ 1,321,081	\$ 1,321,081			0%
<b>Caquetá</b>	Cartagena del Chairá		\$ 1,994,054	\$ 1,994,054	1	\$ 495,676	25%
	La Montañita		\$ 143,243	\$ 143,243			0%
	San Vicente del Caguán		\$ 4,040,000	\$ 4,040,000			0%
<b>Cauca</b>	Caloto	\$ 10,270	\$ 1,080,000	\$ 1,090,270			0%
	Corinto		\$ 191,351	\$ 191,351			0%
	Miranda		\$ 2,358,378	\$ 2,358,378			0%
	Santander de Quilichao	\$ 3,784	\$ 2,638,919	\$ 2,642,703			0%
	Toribio		\$ 1,757,838	\$ 1,757,838			0%
<b>Córdoba</b>	Montelíbano	\$ 17,777,838	\$ 4,792,432	\$ 22,570,270	9	\$ 4,840,541	21%
	Puerto Libertador	\$ 6,560,000	\$ 2,757,838	\$ 9,317,838	1	\$ 2,432,432	26%

<sup>39</sup> *Specific royalties:* A portion of 40% of the Regional Compensation Fund is allocated to each municipality to fund with a local impact. These projects must be approved by the municipal OCADs, or the Departmental OCADs to which the municipalities are affiliated.

*Direct royalties:* These are allocated to territorial entities that produce non-renewable natural resources. The municipalities can use direct royalty resources to fund local-impact initiatives and projects that they wish to execute within the framework of the National Development Plan. These projects must be approved by the municipal OCADs, or the Departmental OCADs to which the municipalities are affiliated.

<sup>40</sup> Direct royalties represent 20% of the General Royalties System's total resources and are transferred to the municipalities where extractive industries are located.

<sup>41</sup> Indirect royalties represent 15% of the General Royalties System's total resources and are distributed to all municipalities in Colombia

Department	Municipality	Direct Royalties <sup>40</sup> in US\$	Indirect Royalties <sup>41</sup> in US\$	Total Royalties Funds Available (2012-2014) in US\$	No. of Projects Developed to be Funded with Royalties Funds	Value of Developed Projects in US\$	% of Royalties Funds Committed to Developed Projects
	San José de Uré	\$ 3,796,216	\$ 656,757	\$ 4,452,973	5	\$ 1,551,351	35%
	Tierralta	\$ 1,980,000	\$ 5,870,270	\$ 7,850,270	5	\$ 1,542,703	20%
	Valencia	\$ 1,980,000	\$ 2,531,892	\$ 4,511,892	12	\$ 1,481,081	33%
<b>Meta</b>	Mesetas		\$ 68,649	\$ 68,649			0%
	La Macarena		\$ 1,912,973	\$ 1,912,973	1	\$ 497,297	26%
	Uribe		\$ 948,649	\$ 948,649			0%
	Puerto Rico		\$ 1,132,973	\$ 1,132,973			0%
	San Juan de Arama		\$ 547,568	\$ 547,568			0%
	Vistahermosa	\$ 11,351	\$ 1,514,054	\$ 1,525,405			0%
<b>Nariño</b>	San Andres de Tumaco	\$ 13,900,000	\$ 11,783,243	\$ 25,683,243	12	\$ 11,903,243	46%
<b>Norte de Santander</b>	Convención		\$ 865,405	\$ 865,405	1	\$ 238,378	28%
	El Carmen		\$ 886,486	\$ 886,486	1	\$ 242,703	27%
	El Tarra		\$ 670,270	\$ 670,270	1	\$ 180,000	27%
	Hacarí		\$ 648,108	\$ 648,108	1	\$ 173,514	27%
	San Calixto		\$ 817,838	\$ 817,838	1	\$ 218,378	27%
	Teorama		\$ 1,271,892	\$ 1,271,892	1	\$ 334,595	26%
	Tibú	\$ 3,652,432	\$ 2,220,000	\$ 5,872,432			0%
<b>Sucre</b>	Ovejas	\$ 2,216,757	\$ 1,302,703	\$ 3,519,459			0%
	San Onofre	\$ 5,183,243	\$ 3,037,297	\$ 8,220,541	2	\$ 977,838	12%
<b>Tolima</b>	Ataco	\$ 140,000	\$ 1,375,676	\$ 1,515,676			0%
	Chaparral	\$ 782,162	\$ 2,894,054	\$ 3,676,216	1	\$ 108,108	3%
	Planadas		\$ 1,834,054	\$ 1,834,054			0%
	Rioblanco		\$ 1,521,081	\$ 1,521,081	2	\$ 94,595	6%
<b>Valle del Cauca</b>	Florida		\$ 1,684,865	\$ 1,684,865			0%
	Pradera		\$ 1,680,000	\$ 1,680,000			0%
<b>Putumayo</b>	Puerto Asís	\$ 6,047,568	\$ 1,965,405	\$ 8,012,973	2	\$ 2,831,351	35%
	Leguízamo	\$ 11,351	\$ 953,514	\$ 964,865			0%
	San Miguel	\$ 1,177,838	\$ 1,569,730	\$ 2,747,568			0%
	Valle del Guamuez	\$ 997,838	\$ 3,112,973	\$ 4,110,811			0%
<b>Total</b>		<b>\$79,894,054</b>	<b>\$106,771,351</b>	<b>\$ 86,665,405</b>	<b>83</b>	<b>\$37,329,189</b>	<b>20%</b>

Results show that, thanks to the Program's support and successful coordination with other strategic partners of USAID, the consolidation municipalities have made significant progress in gaining access to royalty resources. Nevertheless, the Consolidation Unit, the DNP and local governments continue to face the important challenge of strengthening their capacities to formulate and structure projects. The Program has provided ongoing assistance to address this pressing issue and has worked to build local capacity that will enable territorial entities to successfully apply for royalty resource financing for municipal and regional strategic projects. In spite of significant advances, much remains to be done, and it will be necessary to intensify the assistance provided by USAID's regional program teams to the Consolidation Unit and local governments in order to increase the number of royalty resource projects that are presented and approved.

### **Milestone 3.2.1 Design and Implementation of Consolidation Unit: Institutional Strengthening of Consolidation Unit**

#### **Activities**

##### **3.2.1.a. Consolidation Index:**

In Q11, the Program completed the design of the Consolidation Index. This index will be used to perform several measurements over time to monitor and compare the progress made in the target municipalities.

During Q11, the Program worked with experts from Fedesarrollo, one of the country's leading think-tanks, and the Consolidation Unit to design the Index. The team analyzed, identified and validated the variables that comprise the Index, as well as tested the application of the econometric model that will be used to calculate its results.

The Consolidation Index will enable the GOC to assign specific goals for each indicator and to verify their periodic performance. Even more importantly, it will serve as a critical tool for objectively analyzing the effectiveness of public investments made under each Policy component within each of these municipalities, as well as for providing data about the overall results achieved by the Policy.

In addition, the Consolidation Index constitutes a technical management tool that will transform the development of the National Territorial Consolidation Policy. Moreover, the Consolidation Unit now has a tool that allows it to determine and evaluate the results of its actions in each target zone.

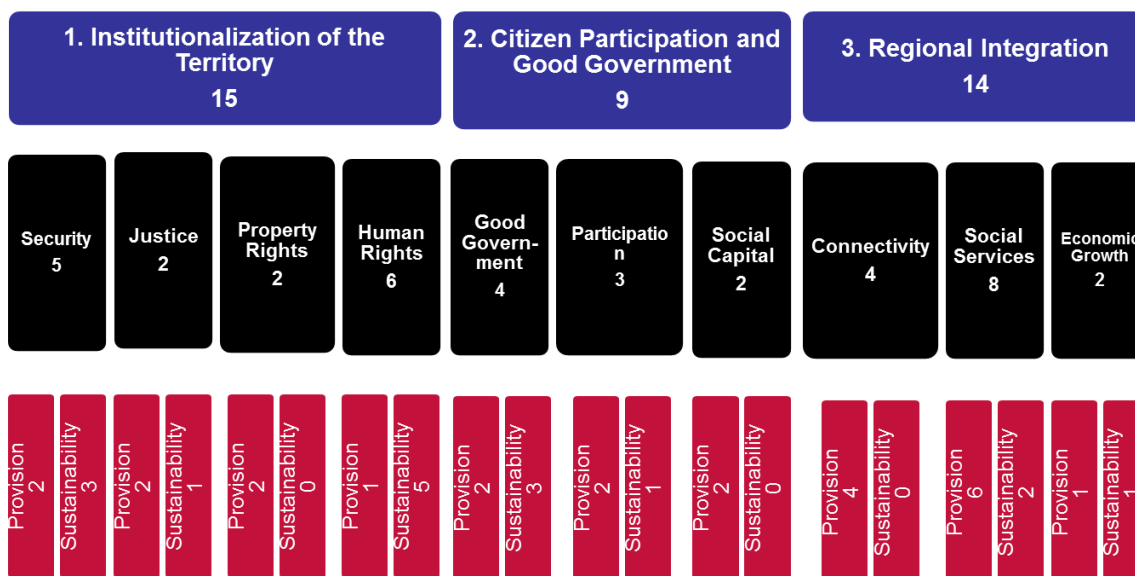
To construct the Index, the Program identified strategic indicators that will enable the GOC to comprehensively monitor the results of the investments made under all of the components of the National Territorial Consolidation Policy: a) security; b) justice; c) human rights; d) property rights; e) good governance and the fight against corruption; f) citizen participation; g) creation of social capital; h) connectivity; i) public services; and j) economic growth.

This innovative mechanism aggregates 38 indicators that measure the Policy's progress in each of three pillars: 1. Institutionalization of the Territory; 2. Citizen Participation and Good Governance; and 3. Regional Integration.

The indicators that make up the Index are divided among the pillars as follows:

- Pillar 1. Institutionalization of the Territory: 15 Indicators

- Pillar 2. Citizen Participation and Good Governance: 9 Indicators
- Pillar 3. Regional Integration: 14 Indicators.



**Chart 5:** Number of Indicators per Consolidation Policy Pillar  
 Source: Public Policy Program (Fedesarrollo)

The Program developed technical specifications for each indicator to enable the Consolidation Unit to use and administer the Index correctly, based on a detailed definition of the each indicator's purpose, the way each indicator should be interpreted, the specifications of the information sources for the measurement, and the frequency of measurement, among other aspects.

### **Calculation Methodology:**

The calculation methodology involves a weighted distribution that reflects the Policy's three strategic objectives, as shown in the following table:

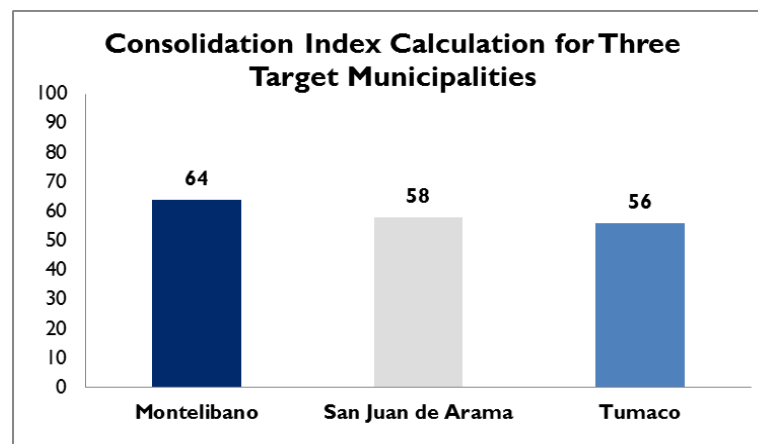
**Table No. 8. Percentage Assigned to Each Indicator**

	Weight of Each Pillar in the Index	Name of Component	Weight of Each Component in the Pillar
<b>PILLAR 1</b> Institutionalization of the Territory	<b>33.3%</b>	<b>Security</b>	8.33%
		<b>Justice</b>	8.33%
		<b>Human Rights</b>	8.33%
		<b>Property Rights</b>	8.33%
<b>PILLAR 2</b> Citizen Participation and Good Governance	<b>33.3%</b>	<b>Good Government</b>	11.11%
		<b>Participation</b>	11.11%
		<b>Social Capital</b>	11.11%
<b>PILLAR 3</b> Regional Integration	<b>33.3%</b>	<b>Connectivity</b>	11.11%
		<b>Social Services</b>	11.11%
		<b>Economic Growth</b>	11.11%

### Results of Econometric Measurement in the Three Municipalities Chosen for the Pilot Project:

The Index for the three pilot municipalities (San Juan de Arama, Meta; Montelíbano, Córdoba; and Tumaco, Nariño), was calculated using a baseline constructed with information from secondary sources (statistics from official baselines from relevant ministries on the national level, as well as data collected from regional offices). The participating agencies had previously collected this information as of December 2012. Surveys were not conducted because constantly updating survey information would be prohibitively expensive for the entities to conduct in the future and, therefore, would introduce an unsustainable and difficult to replicate model. The use of existing data maximizes government resources and ensures the Index's sustainability.

The application of the index calculation methodology <sup>42</sup> in the three pilot municipalities yielded the following results:



**Chart 6:** Consolidation Index Calculation for Three Target Municipalities  
 Source: Public Policy Program

The indicators show that Montelíbano has made the greatest progress in the implementation of the Consolidation Policy. However, the measurements must be reviewed in order to gain a specific understanding of the aspects that need to be improved within the different pillars (1. Institutionalization of the Territory; 2. Citizen Participation and Good Governance; 3. Regional Integration. See previous chart for a complete breakdown of Pillar components/aspects for review.)

Data generated by the Index will also allow the State to define the priorities within the specific areas of the Consolidation of the Work Plan that must be addressed in each municipality: a) security; b) justice; c) human rights; d) property rights; e) good governance and the fight against corruption; f) citizen participation; g) creation of social capital; h) connectivity; i) public services; and j) economic growth. At the same time, the Index will enable the Consolidation Unit to perform a complete cost-benefit analysis in order to determine the efficiency of each public investment. This will, in turn, permit the Unit to understand whether or not individual investments have produced their expected impact. Finally, the Index will assist the Colombian Government in defining the criteria for the inclusion of new municipalities in consolidation zones, and in establishing the conditions for removing a municipality from

<sup>42</sup> The Consolidation Index aggregates 38 indicators, which results in a score from 0 to 100, where 0 = the worst and 100 = the best.

the coverage of the National Territorial Consolidation Policy once the expected results have been achieved in that area.

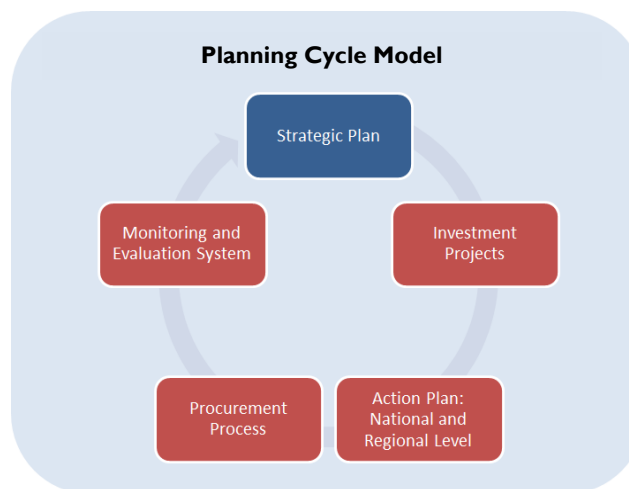
The Consolidation Index will be implemented in the 9 current consolidation zones and in all target municipalities in the coming months. This represents a decisive advance in the Government's ability to monitor the results of the National Territorial Consolidation Policy and a crucial tool for making appropriate decisions that are essential for the creation of effective conditions for peace in Colombia.

Furthermore, the Index is a new strategic decision making tool for the Consolidation Unit. Its integration within the Comprehensive Monitoring and Evaluation System (see Point 3.2.1.c) is expected to significantly enhance the Unit's management capacity.

### 3.2.1.c. Design of an Information System for Monitoring and Evaluation:

In accordance with the provisions of the Development Plan Law (Law 152 of 1994), one of the Consolidation Unit's priorities is to obtain a tool to monitor annual results and continuously verify compliance with the goals and objectives established by the Government. To comply with this legal obligation, the Consolidation Unit requires a monitoring system to ensure the fulfillment of its goals.

Accordingly, the Program is supporting the design and implementation of the Monitoring and Evaluation System, which involves activities to review and prioritize indicators, as well as to integrate all existing indicators into a single information system that can facilitate informed decision-making processes and implement effective management procedures. This M&E System is based on the planning cycle that has been promoted by the Program in other entities (LRU and the INCODER).



**Chart 7:** Planning Cycle Model  
Source: USAID Public policy Program

In Q11, the Program completed the initial assessment phase of this project and reached the following conclusions:

- The Unit's lack of clear macro processes and procedures increases the risk that it will fail to comply with its mission and limits its management capacity, which delays the execution of resources and hinders contracting efficiency.



- The monitoring system could be a tool to align different components of the Unit's administrative functions. The System should be based on six of the Unit's critical administrative processes: 1. Planning; 2. Financial Management; 3. Human Resource Management; 4. Contracting; 5. Internal Control; and 6. Customer Service.
- To ensure the sustainability of the Monitoring and Evaluation System, the Unit should construct a simple data management system, which can be easily modified to account for more complexity once the Unit has successfully implemented the management of a basic data set of approximately 30 indicators (distributed evenly among each of the dimensions described above).
- The Monitoring and Evaluation System should have the capacity to monitor performance at both the regional and national level, and be able to ensure that the management of resources and administrative strengthening efforts are consistent with the Unit's territorial focus. Which is to say that the System will align regional and national execution with consistent indicators across both dimensions.
- The unified management indicators should be designed with the participation of all the Consolidation Unit's offices in order to avoid duplication of efforts.
- The Monitoring and Evaluation System should complement the monitoring of both the public policy indicators (using the Consolidation Index and indicators that measure coordination between the Coordination Directorate and the DNP), in addition to central level management (using the *SINERGIA* framework<sup>43</sup>)

To achieve this result and provide a successful design for the unified measurement system, the Program is currently analyzing existing management tools that accomplish the following:

- Measure Impact: The Consolidation Index
- Measure Inter-Agency Management: Monitoring dashboards of the Office of the Presidency of the Republic that measure compliance with the Consolidation Policy commitments made by different state agencies. The dashboard will be included in the DNP's *SINERGIA* framework.
- Measure Internal Management: A battery of indicators for measuring the execution of action plans.

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<sup>43</sup> The National System for Management and Results Evaluation, managed by the DNP, is used to manage information related to the evaluation agenda of the National Development Plan and reinforce the culture of resulted-based public management in the country.

**Result 3.2: Institutional Structure Designed to Implement the NCP at the National and Regional Levels****Milestone 3.2.2 Design of Consolidation Fund****Activity****3.2.2.a. Structure-Flexible Budgeting Mechanisms: Rapid Response Program**

In Q11, the Program completed the preparation of the Operations Manual for the Rapid Response Program (RRP), which is expected to reformulate the management of this Program<sup>44</sup> in order to improve the Program's capacity for executing resources in the consolidation zones.

*i. Strategic Review*

The Program conducted a strategic review of the objectives and the operational capacity of the RRP using the planning cycle model<sup>45</sup> that the Program has promoted in its work with other entities, such as the Land Restitution Unit, the INCODER and the Consolidation Unit.

This Program also found that the RRP's current Operations Manual lacks a clear strategic design and does not set specific objectives to guide the Program's operation. Therefore, the Program advised the Consolidation Unit in the production of a new Manual that describes the RRP's specific goals. The RRP defined its objectives to include capacity building that enables good governance and the strengthening of citizen participation in the design and implementation of rapid response projects. The RRP aims for these projects to respond to its mission objective of building local capacity and the trust of citizens.

The strategic review also determined that the RRP lacks management indicators to measure its performance. The Program has provided technical assistance in defining indicators on three levels (strategic, tactical, operational)<sup>46</sup>, which will be coordinated with the Monitoring and Evaluation System model that it is helping to develop (QR11 3.2.1.c). This will provide the RRP with tools to enable it to improve its focus and priorities and to redirect resources as needed.

*ii Organizational Structure of the RRP*

The Value Chain Methodology<sup>47</sup> was used to determine the RRP's organizational architecture. This methodology helped establish the roles for the Unit's central level and regional offices, and all relevant areas with activities that are crucial to the operation.

*iii. Value Chain (Processes)*

The RRP's new Operations Manual is based on the Value Chain Methodology, where each approved project contributes value to the fulfillment of the RRP objectives and therefore adds to the overall

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<sup>44</sup> The Rapid Response Program aims at implementing small and medium-sized infrastructure projects and providing public services like health and education in consolidation zones. Its main objective is to build trust between the communities and the State. For the year 2013, the Program has \$6.3 M that will be executed directly by the UACT in investment funds and \$ 17.2 M that will be executed through the Department of Social Prosperity for small infrastructure projects.

<sup>45</sup> Please see 3.2.1.c for graphic representation of the planning cycle.

<sup>46</sup> Using the Value Chain Methodology mentioned above, the following indicators are important to measure the performance of the RRP. Specifically, strategic indicators relate to achievement of the entity's mission objectives. Tactical indicators relate to supporting the execution of the strategic level's objectives. Operational indicators relate to specific logistical and operational activities required to accomplish goals.

<sup>47</sup> See section 1.1.1.b, which explains the Value Chain Methodology as an instrument for ensuring the pursuit of value-added activities in response to the needs of the Entity.

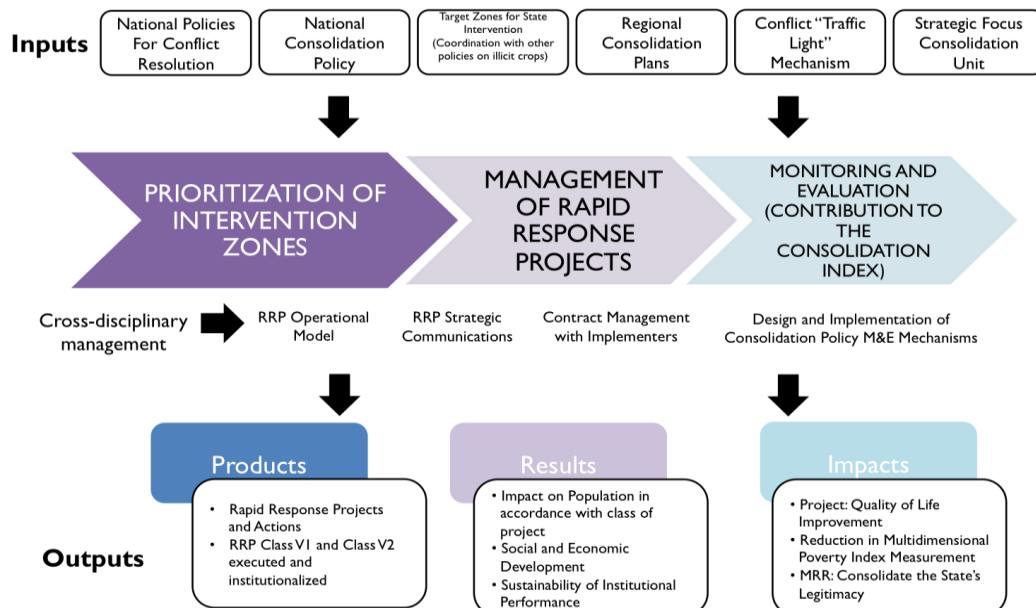
objectives of the Consolidation Unit. The following steps were taken to include the Value Chain in this Manual:

First, the Program defined the inputs for the RRP's Value Chain, including national policies related to consolidation; analysis of territorial security conditions, for the purpose of identifying target areas; regional consolidation action plans; and, the Consolidation Unit's Strategic Map.

Secondly, the Program identified the RRP's Value Chain processes, which consist of a set of activities those results in the delivery of "valuable" projects to the consolidation municipalities. These activities include the prioritization of intervention zones, the management of Rapid Response Projects, and the monitoring and evaluation of the Rapid Response Program.

This exercise defined the RRP's products and outputs as completed projects, effects on the population, enhancement of institutional performance, improvements in the social and economic development of the zone of intervention, increased quality of life of the inhabitants, and achievement of the Consolidation Unit's objectives.

The Rapid Response Program's Value Chain is presented in the following chart, which demonstrates the following steps: 1. Selection of six inputs to prioritize locations for RRP; 2. Application of evaluation criteria, which results in the selection of prioritized zones for intervention; 3. Project execution; 4. Monitoring and evaluation activities to assess the projects' impacts and results. The end result of this activity is products (project design), results (short term effects), and impacts (long term effects). Finally, the ultimate goal of this value chain methodology is an improvement in quality of life, poverty reduction and increase in State's legitimacy in zones selected for RRP:



**Chart 8:** Inputs and Outputs of Rapid Response Program  
 Source: Consolidation Unit

Finally, the RRP uses the dotProject platform<sup>48</sup> to manage projects and to record information about project specifications, conceptualization, approval, execution and monitoring. The Program's technical assistance to the RRP included the updating of project specifications, which will require additional changes to the tool. This process should be completed in Q12. Below is a screenshot of the application, which is hosted on the Consolidation Unit's internal server and is visible to public officials within this Unit (presented for illustration purposes only):



Color (%)	Proyecto ID	Entidad / Organización	Nombre del Proyecto	Inicio	Fin	Real	P	Propietario	Tareas (M)	Estado	Selección
94.4%	208	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Adecuación espacio físico Casa de Jóvenes B/Ibena	02/07/2012	-	15/08/2012	↑	Jquinones	5	En Ejecución^	
24.1%	245	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Adecuación y Mejoramiento Vía Bajo Jague - Palmaco	11/07/2012	-	05/09/2012	↑	Jquinones	6	En Ejecución^	
11.1%	313	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Estudios y Diseños vías terciarias zona rural Tumo	26/07/2012	-	30/09/2012	↑	Jquinones	4	En Ejecución^	
43.8%	351	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Construcción Fase I Comedor escolar Viguara del M	08/08/2012	-	11/09/2012	↑	Jquinones	6 (1)	En Revisión^	
87.5%	385	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Construcción Fase I Comedor escolar Bajo Sanleandro	13/08/2012	-	03/09/2012	↑	Jquinones	4	En Revisión^	
87.5%	386	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Construcción Fase I Comedor escolar Pueblo Nuevo	13/08/2012	-	03/09/2012	↑	Jquinones	4 (1)	En Revisión^	
87.5%	388	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Construcción Fase I Comedor escolar Boca de Guabal	13/08/2012	-	03/09/2012	↑	Jquinones	4	En Revisión^	
100.0%	395	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Mejoramiento polideportivo escuela ver. Locutema	14/08/2012	-	12/09/2012	↑	Jquinones	5	Finalizado^	
80.0%	456	UNIDAD ADMINISTRATIVA ESPECIAL PARA LA CONSOLIDACION TERRITORIAL - UACT	Vía carretable al Centro Acopio y Vivero de Cacao	28/08/2012	-	30/09/2012	↑	Jquinones	6	En Ejecución^	

**Graphic 2.** Screenshot of Consolidation Unit's dotProject Application  
 Source: Consolidation Unit

#### iv. Monitoring and Evaluation System

The Program's analysis of RRP's monitoring and evaluation model revealed that it did not include processes for measuring indicators or evaluating or obtaining feedback on management procedures. Nor did the RRP conduct any audit or risk improvement processes, except for some audits undertaken for specific and non-prioritized purposes. There was also no evidence of risk management activities. In light of this, the Program provided assistance to define management indicators and the elements that should be incorporated in a monitoring and evaluation system.

Another crucial control task in which the Program is currently assisting the Consolidation Unit is the modification of the RRP's Supervision Model. To align it with the entity's new operating model, a new auditing protocol will be included, as well as specific supervisory procedures. The new supervision and auditing manual will be completed in Q12.

Because it outsources its resources to third parties, the RRP requires an appropriate supervision model that can verify the proper execution of funds and measure the impact of its resources on the target regions and intended beneficiaries. In the absence of this model, some of the projects executed by the RRP are not executed with the speed or impact that the Consolidation Unit expects.

#### v. Human Resources

A professional officer attached to the Directorate of Regions was coordinating the RRP but this was highly inadvisable because this person did not have the capacity to manage the workload nor sufficient

<sup>48</sup> This is a free software platform developed by dotProject (2000) as a web-based, multi-user, open source project management tool. It is written in PHP and uses the MySQL database.

decision-making authority. Therefore, by means of a resolution, the Unit created a working group of four officials to execute the RRP, which is led by the Directorate of Regions. This group of qualified officials will have the necessary capacity and authority to direct the RRP.

## Challenges

### Q11 Policy Pillar Instruments delivered

- Report on the design of the Consolidation Index
- Results of the application of the Consolidation Index in the 3 pilot municipalities
- The Rapid Response Program's Operations Model
- Assessment report on the strategy for enhancing the flexibility of the offer of services

### Q11 Pillar Challenges & Response Strategy

**Challenge:** In Q12, the UACT will begin to implement the Consolidation Index by constructing a baseline. This will enable the Unit and its regional managers to have a clearer and more objective view of the Consolidation Policy's progress in the territories. The Index will serve as a very powerful tool with which the Unit will be able to continuously evaluate, review and adjust its actions and the way in which it is implementing the strategies that form part of the three consolidation pillars in each territory, in consultation with the State agencies involved in the implementation of the Consolidation Policy.

## Windows of Opportunity

### Design and Implementation of the Monitoring and Evaluation System of the Consolidation Policy

One of the Program's main objectives during the next Quarter will be to strengthen the processes, tools and products developed by its team of expert consultants to support the Consolidation Unit in its design and implementation of a Monitoring and Evaluation System. Also, the Program will need to support the Unit to integrate this activity and instruments within its management processes and use them to make timely strategic and operational decisions. This will ensure the effectiveness of the investments made by the Program in the institutional strengthening of the UACT.

In this context, the Monitoring and Evaluation System that is currently under design will provide an important opportunity to enhance the impact of the instruments currently available to the Unit.

The new system will allow for the integration of the Consolidation Index, the Control Dashboard, and the indicators that measure the management of regional consolidation plans and directorate action plans, in order to develop a management model that will enable the Unit's managers to make strategic decisions related to the performance, management and impact of the Consolidation Policy.

In order to implement the Monitoring and Evaluation System, it will be necessary to analyze the Unit's processes and procedures, identify management bottlenecks, and coordinate the efforts of each area, among many other tasks. This will require the adoption of a comprehensive view of the UACT's

activities in order to improve its management and execution capacity and, therefore, the impact of the Policy in the target zones.

## **SUPPORTING ACTIVITIES CONTRIBUTING TO RESULTS**

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The Program is supporting a number of cross-cutting issues that are critical to the achievement of results in each pillar in order to ensure the integration of policy implementation at the regional level: mechanisms for budgeting and coordination at the territorial level; sustainable livelihoods and access to finance; environment, biodiversity and climate change; and gender. Lessons learned from past reform efforts indicate that land reform, assistance to victims, and consolidation must be accompanied by simultaneous reforms in other areas to ensure effective and sustainable results for rural communities.

### **SUPPORT ACTIVITY 4. GENDER**

The Program is supporting the inclusion of a gender perspective in a number of cross-cutting issues that are critical for the achievement of results in its targeted political and institutional reforms, as well as the implementation of models for providing assistance to vulnerable populations. In Q11, the Program worked with the Victims' Unit to complete the inclusion of a differential focus within the minimum livelihood condition index and mainstream the gender perspective in the Index's measurement and monitoring system. The Program gave new recommendations to the High Commission for Women's Equity in relation to affirmative actions aimed at women's access to financial services, and started working with the INCODER in order to include a gender focus in its strategic processes.

#### **Support Activity Result 4.1: Identify How Current Institutional and Legal Frameworks and Policies Facilitate Gender Inequality or Fail to Address Gender Disparities**

##### **Activities**

##### **4.1.a. Assessment of GOC Service Delivery to Victims and Poor Farmers:**

With regard to the Program's support to the GOC in its assistance and reparation to victims, the Program has continued the task of building a Minimum Subsistence Index with the Victims' Unit, as reported in the Victims Pillar Section. This work has helped to define humanitarian aid within the framework of assistance and restitution to victims. Specifically on the gender matter, the greatest achievement is that female heads of households, pregnant women and nursing mothers who apply for humanitarian assistance have priority in receiving aid and are able to receive humanitarian assistance without the prior measurement of the Index. It is also worthwhile to note that in the process of constructing the measuring system, the Program decided to break down the system's variables in order to make the differential approach clear in terms of measuring goals in a disaggregated manner.

With regard to access to financial services, the Public Policy Program's financial services access manager has been discussing the way in which the Law 731 of 2002 addresses issues related to women's access to these services with the ACPEM. Reforms proposed by the GoC to the agricultural financial system arise from the recognition that the latter proved to be ineffective in the expansion of financial services to rural areas, and it specifically recommended the following:

- Provide women with a portfolio of comprehensive financial services; not only credit, but also savings, insurance, funds transfer and payment services.
- Promote product offerings that are adapted to the needs of rural women.
- Promote the increase of financial networks through low-cost and innovative channels, such as banking correspondents and mobile banking.
- Promote access for women through affirmative actions, such as the establishment of minimum percentages of loan deliveries or accounts for women.

The Program has made suggestions to ACPEM to work with the Bank of Opportunities (Banca de las Oportunidades - BDO) in order to find alternative affirmative actions that will give rural women real access to financial services. During Q12, the program will support the ACPEM in its effort to approach the BDO to build affirmative actions for women, which will be presented to the Colombian Rural Women Political Influence Committee; alternatives that may be more effective for the aforementioned access.

Finally, during Q11, the Program also began working with INCODER to identify its inefficiencies related to the gender focus within the entity's Strategic Processes. This work is being conducted in coordination with the ACPEM in order to guarantee that the recommendations that will be provided by the High Commissioner for Women's Equity and the Program to the INCODER will be coordinated. These recommendations are in the form of general suggestions, guidelines and suggestions for the development of forms.

#### **4.1. b. Review of Institutional Strengthening Activities:**

The activities mentioned in the previous section strengthen the above-mentioned institutions and further seek to support the strengthening of the relationship that exists between the ACPEM and institutions with roles and missions related to aforementioned activities.

As in the case of the Program's work with the Victims' Unit and other associated entities in support of the objectives of the Victim's Law, the Program also worked with the Land Restitution Unit in order to include a gender perspective in: a) strategic processes in matters such as the recognition of the particular vulnerabilities of women in the Unit's security management processes, b) communication and dissemination processes; and c) knowledge management processes, among others.

#### **4.1.c. Policy Coordination:**

The purpose of this activity is to ensure the coordination of different policies associated with gender issues contained in Law 731 (2002), CONPES 161 or access to finance instruments in such a way that they can be comprehensively implemented by the responsible institutions (for example, the INCODER).

On April 25, in coordination with the Presidential High Commission for Women's Equity (ACPEM) and with the support of the Political Science Institute (*Instituto de Ciencias Políticas* - ICP), the program conducted a workshop to disseminate and sensitize participants on the CONPES 161 (which concerns gender equity for women). Attendees at this event included representatives of USAID, operators of five USAID-funded programs in Colombia and delegates from two other cooperation agencies.

During the workshop, the Presidential High Commission for Women's Equity presented the following six CONPES Components:

- Peace-building and Cultural Transformation;



- Economic Autonomy and Access to Assets;
- Participation in Power and Decision-making Scenarios;
- Health and Sexual and Reproductive Rights;
- Gender Focus in Education; and
- Comprehensive Plan for Guaranteeing Women a Life Free of Violence.

The CONPES seeks to include the gender focus in the implementation of policies, thereby creating flexibility mechanisms and affirmative actions to guarantee women's access to institutional program offerings. Additionally, it seeks the cultural transformation of the collective imagination, which reproduces patriarchal and exclusionary relationships that have traditionally existed in Colombia, and therefore perpetuates gender inequality.

This workshop was a window of opportunity to create synergies between cooperation agencies, programs and public entities responsible for implementing the Women Gender Equity Policy. Some potential institutional strengthening actions were identified that will enable the inclusion of a gender focus within State entities, as well as public entities responsible for the implementation of the Gender policy at the national level and at the territorial level, which can be supported by international cooperation agencies.

Moreover, in developing the strategy to increase the flexibility of institutional assistance for vulnerable populations, the Public Policy Program is working jointly with ACPEM to review two INCODER strategic processes (as mentioned in the numeral 4.1.a) which relate to access to land and productive development, in order that these include a gender focus.

Reforming these processes is a significant step towards the implementation of the Economic Autonomy Component of the CONPES 161 of 2013, and the Law 731 of 2002 (Law on Rural Women) for peasant women in Colombia.

Next, in Q12 the Program will deliver recommendations for the inclusion of the gender focus in the processes for titling state-owned lands (*baldíos*) and for promoting rural development to the INCODER, taking into account the territorial facts and the provisions of the Law 731.

These recommendations will focus particularly on rural women's opportunities to participate in decision-making and economic development processes of the State's rural development programs. The reform of these processes impacts women's economic autonomy and their access to assets. INCODER officials will be very involved in the adjustment of these processes.

Finally, the program will finalize its support to the Colombian Government in its dissemination, sensitization and training activities for the officials responsible for the implementation of the Law 1257 of 2008 (Law of Non-Violence against Women) and its regulatory decrees (see Section 4.2.b). In Q12, the Program will conduct three workshops in Leticia, Neiva and Barrancabermeja (July and August, 2013) that will be the starting point of the CONPES Non-violence against Women Component. These workshops will provide the Presidential High Commission for Women's Equity with a replicable methodology for the dissemination, sensitization and training activities in other territories.

**Support Activity Result 4.2: Reform Recommendations Provided that Promote Gender equity in the Program-Supported Policy<sup>49</sup>****Activities****4.2.a. Regulate the Law on Rural Women:**

As mentioned in Activity 1.2.4.a, this activity was continued in Q11 and some access to financial services recommendations have already been presented. Other recommendations will be mentioned in Q12 after they are defined with the INCODER and the Ministry of Agriculture.

**SUPPORT ACTIVITY 5. ACCESS TO FINANCE****Support Activity Result 5.1: Financial Networks Expanded to Rural Areas and Consolidation Zones*****Mobile Financial Services (MFS) and E-Money Developed*****Activity****5.1.a. Implementation of a Challenge Fund to Promote E-Transactions:**

From Q8 to Q10, the USAID Public Policy Program advised the MOF and the BDO on the development of a competitive fund to promote E-transactions and mobile banking in rural areas in Colombia. This fund is an innovative policy instrument for building new public-private partnerships (PPPs). The Challenge Fund was developed on the basis of lessons learned from successful financial inclusion experiences in Africa and England. The Program advised the Ministry of Finance (MOF) and the *Banca de las Oportunidades* Program (BDO) on the design of this mechanism for allocating and disbursing public funds. The mechanism invites stakeholders to compete for a pool of funds, which are then awarded to the best proposals. In addition, the Program advised the MOF and the BDO on defining the profile of potential bidders and the transaction modalities that could be employed in the proposals. Finally, the Program supported the design of criteria for evaluating the proposals, and provided technical assistance in the selection of the best innovative ideas and projects.

In Q11, as a result of the Program's work in the previous quarters, the GOC selected three winning E-transaction projects. Together valued at \$3.2M, the three successful proposals were chosen from among the 11 that were evaluated beginning in November 2012. The GOC allocated funds to cover 50% of the value of each selected proposal. Thus, co-financing provided by the GOC through the Challenge Fund enabled the leveraging of US\$1.6 million through the successful establishment of new public-private partnerships for mobile banking development with three major Colombian banks: *Bancolombia*, *Bancamia* and *Banco AV Villas*. The winning projects, which focus on promoting electronic transactions through mobile phones, will be implemented beginning in August 2013.

**Impact:**

- Three major Colombian banks – Banco AV Villas, Bancolombia and Bancamia – will implement projects to promote people-to-business (P2B) transactions in Villavicencio, provide mobile financial services to dairy farmers in the rural area of Ubaté, and launch mobile banking services for rural farmers.

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<sup>49</sup> Activity 4.2.a. Regulate Law on Rural Women is reported under *Land Pillar Activity 1.2.1.a. Harmonize Land and Rural Development Bill and the Law on Rural Women*.

- Promotion of financial inclusion through M-Banking, mainly in rural areas.
- At least 100,000 customers will be able to carry out E-transactions through their mobile phones over the next 2 years (June 2013 – June 2015). At least 40% will be women.
- A small producer can save between \$6 and \$40<sup>50</sup> each time he or she does not have to stop working in order to go to a bank branch.
- The Challenge Fund allocated funds to cover 50% of the value of each proposal, thus leveraging US\$1.6 million in private funds.

**Support Activity Result 5.2: Make Available Financial Instruments Tailored to the Needs of the Population in Rural and Consolidation Areas, Victims, and Vulnerable Populations**

**Activities**

***Agricultural Financing System (AFS) Improved***

**5.2.a. Assist the GOC in Reforming the Agricultural Financing System (AFS):**

Historically, the Agricultural Financing System (AFS) focused on providing interest rate subsidies, credit subsidies (like those offered under the Rural Capitalization Incentive (ICR) and Secure Agricultural Income (AIS) programs), and State guarantees, which have proven to be inadequate. As a result, there is a limited range of financial services available for the sector, transaction costs to access credit are high, and subsidies have principally benefited medium and large producers (not small producers), thereby limiting the sector's development.

During Q8 and Q9, the Program worked with GOC officials from the MADR, FINAGRO and Banco Agrario on the development of proposals to reform the Agricultural Financing System. During Q10, these proposals were presented to the National Agricultural Credit Commission<sup>51</sup> and to key stakeholders (the Board of Directors of the Central Bank and representatives of the main agricultural associations in Colombia) and the GOC appointed a subcommittee to determine reform implementation priorities. And finally, during Q11, the subcommittee prioritized the following four reform proposals and asked the Public Policy Program to support their development:

1. Institutional Reforms
2. Reduction of Interest Rate Subsidies
3. Classification of Producers
4. Promotion of Private Equity Funds

In Q11, the Program responded to the subcommittee's first proposal priority and developed a proposal to implement institutional reforms. The Program proposed a redefinition of roles for institutions linked to agro financing (the National Agricultural Credit Commission, FINAGRO and Banco Agrario) and new

<sup>50</sup> Calculations correspond to the time required to travel to the nearest bank, which in some cases can be 5 or 6 hours per trip and therefore results in additional expenses (food, etc.)

<sup>51</sup> This Commission is made up of the Minister of Agriculture and representatives of the DNP, the Central Bank, the Colombian Agricultural Society (SAC) and FINAGRO.

institutional arrangements concerning the organization of the agriculture and rural finance policy. The new proposed institutional arrangements will be presented to the GOC in Q12.

The remaining three reform proposals will be developed in Q12.

During Q10 and Q11, the Program advised the BDO on the design of a policy instrument to encourage financial institutions to offer agricultural microcredit. In Colombia, only 4% of micro and small-scale producers have access to microcredit<sup>52</sup>, and therefore 96% are forced to resort to loan sharks and predatory lenders. Although some financial institutions offer this product, their outreach is very limited. During Q10, the Program provided technical assistance that focused on organizing activities to raise awareness about the impact and benefits of agricultural microcredit programs. The Program arranged field visits, supported the organization of an international seminar on agricultural microcredit, and organized an expert roundtable to promote dialogues between the GOC and international experts about how to best implement agricultural microcredit.

In Q11, the Program completed the design of a policy instrument to promote agricultural microcredit. A major bottleneck in the promotion of access to credit for micro and small-scale agrarian producers is related to financial institutions' lack of knowledge in this area. These financial institutions do not know how to assess risk and lack the required expertise to design a product that fits this population's specific needs and responds to the particularities micro and small-scale agricultural economic activity, such as crop cycles, seasonality of income and diversity of income generating activities. For this reason, and motivated by its desire to convince financial institutions in Colombia to adopt an appropriate methodology to offer credit to micro and small-scale agrarian producers, the Program recommended a policy instrument through which financiers learn how to offer this product. The Program designed the instrument, which consists of funding for technical assistance (TA) to implement the agricultural microcredit methodology. Under this structure, the BDO contracts and assumes the cost of the TA for the financial institutions, in return for which the financial institutions agree to offer the product. The TA has no cost for the financial institutions and the impact is measured in terms of client and coverage goals.

During Q11, technical assistance focused on advising the BDO on how to develop the requirements for the bid to award technical assistance to assess financial institutions in the design and implementation of agricultural microcredit products.

As a result, the GOC launched an incentive program under which it will provide six financial institutions with the technical assistance to implement micro agri-loans<sup>53</sup>. This instrument will leverage a significant amount of private funds and promote public-private partnerships.

Impact:

- Six financial institutions (2 banks, 2 cooperatives and 2 microfinance NGOs) will receive technical assistance to implement agricultural microcredit programs.
- At least 20,000 micro and small producers, of which approximately 8,000 are rural women, will have access to micro-agri loans of an average of \$1,000 over the next two years (2014 and 2015).

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<sup>52</sup> Source: Colombian Agricultural Society (SAC).

<sup>53</sup> Banca de las Oportunidades, Public Bid # 61.

<http://www.bancadelasoportunidades.gov.co/contenido/contenido.aspx?conID=683&catID=299&pagID=899>

- The availability of agricultural microcredit will promote income generation and rural development in several municipalities across the country.
- The GOC will invest approximately \$1.5 million in technical assistance and the private sector will contribute around \$20 million.

## Financial Inclusion for Victims of Violence

**5.2.b. Advise the Victims' Unit on Complying Efficiently and Expeditiously with Mandates Regarding the Payment of Humanitarian Assistance and Reparations for Victims of the Conflict:** (This activity is included under section 2.2.2b).

**5.2.c. Pilot Program to Promote the Financial Inclusion of Compensated Victims and Provide Assistance to Enable Reparations Resources to Contribute to Rebuilding Victims' Lives:**

During Q11, the Program supported the Victims' Unit in promoting financial inclusion for victims who received compensation in judicial proceedings in Arauca and Mampuján, and in launching pilot programs for victims who received compensation in administrative proceedings in Medellín and Bogotá. Promotion of financial inclusion consists of the development of financial education workshops, in which emphasis is placed on the importance of saving for accomplishing goals and the compensation is presented as a unique opportunity that help the victims achieve their goals. These workshops are then followed by financial fairs in which financial institutions offer savings products to encourage victims to save their compensation or invest part of in projects that will contribute to the rebuilding of their lives (e.g., investments in education, housing, productive activities and land).

Financial Inclusion for Victims of Arauca and Mampuján: In May, the Victims' Unit carried out its second campaign<sup>54</sup> to promote the financial inclusion of the compensated victims from two blocks of the United Self-Defense Forces of Colombia – the *Bloque Vencedores de Arauca* (Victors of Arauca Block)<sup>55</sup> and the *Bloque Héroes de Montes de María* (Heroes of Montes de María Block) (the victims of the latter are known as the victims of Mampuján<sup>56</sup>). Considering the large amounts awarded, and in order to encourage the appropriate use of the resources, the Program supported the Victims' Unit in holding educational workshops and financial fairs to help the victims open savings accounts and Term Deposit Certificates (CDTs) in financial institutions offering products in or near the municipalities.

### Mampuján

- Victims to indemnify: 372 (Table I).
- Dates: May 21 – 24, 2013.
- Five education campaigns and financial fairs were conducted in the following four municipalities: one in Cartagena for 50 victims, one in San Juan de Nepomuceno for 60 victims, two in María La Baja for 200 victims, and one in San Cayetano for 100 victims.
- Participating entities: Bancolombia, Davivienda, Bancamía, Banco Agrario and FNA.

<sup>54</sup> In August and December 2012, the Unit carried out its first campaign for the financial inclusion of, and payment of indemnification to, 800 victims in Mampuján and 200 victims in Arauca.

<sup>55</sup> The Victors of Arauca Block committed rapes, murders and forced displacements between 1998 and 2005 in rural areas of the Department of Arauca.

<sup>56</sup> The Heroes of Montes María Block committed forced displacements and murders in Mampuján in 2000.

- 90% de the victims will receive payments totaling more than \$US 10M at the beginning of June 2013 (Table 2).
- Several of the victims opened savings accounts and expressed an interest in investing in CDTs.

**Table No. 9. Ages of Victims of Mampuján**

Characterization of Victims Covered by the Mampujan Decision			
Age group / location	Adults	NNA	Total persons
Maria la Baja	178	31	209
San Cayetano	73	0	73
San Juan Nepomuceno	42	2	44
Cartagena	41	5	46
Total	334	38	372

NNA: Boys, Girls and Teenagers.  
 Source: Victims' Unit

**Table No. 10. Percentage Assigned to Each Indicator**

Compensation Awarded to Victims of Mampujan					
Location/ Amount	Between US\$ 2.7K and 5.4K	Between US\$ 5.4K and 10.8K	Between US\$ 10.8K and 27K	More than US\$ 27K	Total persons
Maria la Baja	21	188	0	0	209
San Cayetano	0	73	0	0	73
San Juan Nepomuceno	12	22	9	1	44
Cartagena	5	36	3	2	46
Total	38	319	12	3	372

Source: Victims' Unit



Financial education session in San Cayetano, May, 2013.  
 Photo: USAID Public Policy Program



Victim of Mampuján opening a savings account in Bancolombia, May, 2013.  
 Photo: USAID Public Policy Program

### Arauca

- Victims to indemnify: 83 (Table 3).
- Dates: May 21 – 22, 2013



- Two education campaigns and financial fairs were conducted in Arauca.
- Participating entities: Bancolombia, Bancamía and Banco Agrario.
- Altogether, the victims received compensation totaling more than \$10 million (Table 4).
- Several of the victims opened savings accounts and expressed an interest in investing in CDTs.

**Table No. 11. Ages of Victims of Arauca**

Age of Victims Covered by the Arauca Decision			
Location / Age group	Adults	NNA	Total persons
Arauca	58	25	83
Total	58	25	83

NNA: Boys, Girls and Teenagers.  
 Source: Victims' Unit

**Table No. 12. Compensation Amount Victims of Arauca**

Compensation Awarded to Victims of Arauca					
Age group / location	Between US\$ 2.7K and 5.4K	Between US\$ 5.4K and 10.8K	Between US\$ 10.8K and 27K	More than US\$ 27K	Total persons
Older than 18	0	25	23	10	58
NNA	0	18	2	5	25
Total	0	43	25	15	83

Source: Victims' Unit.

These financial inclusion campaigns generated important lessons that will serve to improve the future workshops and fairs that will be held as reparations continue to be decreed under the Victims' Law.

**Pilot Programs:** The Program supported the Victims' Unit in launching pilot programs in Medellin and Bogota that consisted of four conferences and six workshops on financial education. The conferences lasted one hour and were targeted to large audiences, while the workshops lasted four hours, were targeted to groups of 30, and were based on experiential educational activities and games in which the participants learned the concepts. The conferences and workshops both emphasized that the compensation offered a one-time opportunity for victims to achieve their goals, and stressed the importance of saving these resources as outlined in the *Assistance Plan* that the Unit provided to the victims. These activities were complemented by financial fairs in which the victims were given an opportunity to obtain savings products.



A piggy bank was raffled in each workshop  
 Photo: USAID Public Policy Program



### Medellin

- Date: June 24 and 25, 2013.
- 4 financial education conferences to 4 groups of 350 victims each, totaling 1,400 victims.
- 3 financial education workshops to 3 groups of 18-25 year old victims. 84 victims attended.



Financial Fair in Medellin  
Photo: USAID Public Policy Program

### Bogota

- Dates: June 27 and 28, 2013
- 1 financial education workshop for 30 regional officials of the Victims' Unit.
- 2 financial education workshops for 2 groups of victims. 30 victims attended.

The lessons learned from this pilot program will inform the implementation of the program that will be rolled out to provide financial education to at least 50,000 victims who will receive compensation in 2013, under the cooperation agreement signed with *Banca de Oportunidades* with support of the Program in Q10<sup>57</sup>.



Financial education concepts taught in the game "Concéntrase"  
("Concentration")  
Photo: USAID Public Policy Program



Experiential education workshop with young victims  
Photo: USAID Public Policy Program

## **Financial Products Expanded in Consolidation and USAID Afro-Colombian & Indigenous Program (ACIP) Municipalities**

### **5.2.d. Synergies with CELI and ACIP Programs:**

During Q11, the Program continued to promote two public-private partnerships (PPPs): one between the Consolidation Unit and Bancolombia, the leading bank in Colombia, and the other between the Consolidation Unit and Davivienda, the third largest bank in Colombia. These banks have broad coverage, offer various products, and are leaders in the implementation of mobile banking. The objective of these partnerships is to increase access to credit and other financial services for the producers' associations being supported by the Consolidation Unit. In each partnership, three working areas are being developed: agricultural credit, expansion of networks (mainly banking correspondents and mobile points of service), and savings products. These partnerships are expected to be formalized in Q12.

<sup>57</sup> Inter-Administrative Agreement # 899 signed between the Victims' Unit and BDO, April 22, 2013.

Thanks to the development of the partnership with Bancolombia, CELI North-South helped small cacao producers from rural areas in the municipalities Tarazá and Cáceres in Antioquia, who did not have a bank account, to open mobile banking accounts called “Ahorro a la Mano” as a means to receive subsidies from the Ministry of Agriculture. More than 200 such accounts have been opened.

As a complement to these alliances, during Q11 the Program promoted the development of additional PPPs to promote mobile banking and financial education. Conversations were carried out with the Colombian Banking and Financial Institutions Association (ASOBANCARIA), the Colombian Agricultural Society (SAC) and Bancolombia in an effort to promote financial inclusion for USAID’s priority groups: CELI Project communities, ethnic groups, vulnerable populations and rural communities.

#### **5.2.e. Design of a Policy Instrument to Incentivize Financial Institutions to Expand Financial Services in Consolidation Municipalities:**

Of the 58 consolidation municipalities, 34 have minimal access to financial services, as 29 have only one Banco Agrario branch and the other 5 are without any bank branches. During Q10 and Q11, the Public Policy Program advised the BDO on the design of a policy instrument to encourage financial institutions to expand their presence by establishing branches in consolidation municipalities. As a result, the GOC launched an incentive program under which it will provide \$40,000 in co-financing to financial institutions for each branch they open in these municipalities. The average cost of opening a branch is \$81,000<sup>58</sup>. This policy instrument also leverages a significant amount of private funds, thus promoting public-private partnerships.

##### Impact:

- Up to 34 consolidation municipalities, with a total population of 800,000, will have greater access to financial services offered by bank branches.
- The number of financial institutions and the flow of funds in these municipalities will increase with the presence of new formal financial intermediaries and the availability of new products.
- The increased financial presence will contribute to the economic recovery of the municipalities and promote legal economies.
- Access to financial services promotes business development, expands families’ capacities to consume and save, and reduces the need to obtain informal credit.
- The Government allocated \$1.1 million to cover \$34,000 of the cost of each new branch.
- The average cost of opening a new branch is \$81,000, so the Government funding will leverage \$47,000 in private funding per branch, for up to 34 new branches (up to \$1.6 million in private funds).

## **Q12 Challenges & Response Strategy**

### **Challenge 1: Agricultural Financing System (AFS) Reform.**

The GOC faces a major challenge in implementing the AFS reform guidelines, which call for profound short-, medium- and long-term regulatory, policy instrument and institutional modifications that may

<sup>58</sup> Banca de las Oportunidades, Public Bid # 60.

<http://www.bancadelasoportunidades.gov.co/contenido/contenido.aspx?conID=683&catID=299&pagID=882>

change conditions for medium and large producers that currently benefit from the system, so resistance can be expected from these stakeholders. During Q12, the Program will develop three reform proposals for the gradual reduction of interest rate subsidies, the characterization of producers, and the promotion of private capital investment funds.

**Challenge II: Access to financing for victims.**

The GOC faces a major challenge in ensuring financial inclusion for the 4 million victims who will receive humanitarian assistance and reparations over the next 10 years. The GOC needs to structure the humanitarian assistance and reparations payments to ensure that victims use these funds to rebuild their lives. This will require the structuring and implementation of institutionally strong, adequate and transparent payment and financial services strategies in coordination with public and private entities. In Q12, the Program will continue providing expert financial and legal advice to the Victims' Unit on the development of bid specifications for awarding humanitarian assistance and compensation payments. The Program will also continue to support the implementation of the financial education program for victims by carrying out four financial education workshops to finalize the pilot stage, and it will provide recommendations for the program's roll-out.

**Challenge III: Promotion of Public and Private Partnerships (PPPs).**

The Program will continue to promote the development of the Consolidation Unit's strategic alliances with Bancolombia and Davivienda, as well as the development of PPPs for USAID with ASOBANCARIA, SAC, Bancolombia and others.

The Program will also follow-up on work completed to date under Activity 5.2.f, by developing a strategy for integrating financial inclusion into *Contrato Plan* activities.

**SUPPORT ACTIVITY 6. LINKAGES BETWEEN GOVERNMENT LEVELS AND USAID IMPLEMENTERS**

**Support Activity Result 6.1 Link Local, Regional And National Government And USAID Implementers**

**Activities**

**6.1.b. Policy Framework for Local Governance/Institutional Strengthening:**

The Program's institutional strengthening efforts were focused on improving local capacities for accessing royalty resources, especially by providing assistance for project development in consolidation zones (see 3.1.4.a.)

In addition, the Program, in coordination with the National Planning Department and the Comprehensive Victims' Assistance and Reparations Unit, prioritized the preparation of guides for the development of projects that will benefit victims. The purpose of these guides is to assist the territorial entities develop projects that will contribute to the implementation of public policies that provide preventive services, assistance, care and comprehensive reparations to victims.

The projects formulated in accordance with these guides can be presented either to the Operating Inter-institutional Approval Committees (Órgano Colegiado de Administración y Decisión - OCADS) for funding from General Royalties System resources, or to the co-financing mechanism of the Comprehensive Victims' Assistance and Reparations Unit. The secured resources can be invested to serve the priorities of the victims defined in the territorial action plans.

The following guides were prepared during Q11:

- Guide for the Development of Historical Memory Projects
- Guide for the Development of Projects to Provide Psychosocial Assistance to Victims of the Armed Conflict
- Guide for the Development of Return and Relocation Projects
- Guide for the Development of Prevention and Victims' Assistance Projects
- Conceptual and Methodological Guide for the Development of Projects for Victims of the Armed Conflict

For the preparation of these guides, the Program held four workshops with the different teams of the Comprehensive Victims' Assistance and Reparations Unit that are responsible for matters such as Return and Relocation, Prevention and Assistance, Psychosocial Assistance, and the Center for Historical Memory. In these workshops, the Program solicited information about the participants' priorities and needs. The workshop attendees shared their experiences and specified the topics on which the Program could be most helpful. In response, the Program developed a model template that the teams could use to apply for funding from the GOC.

Subsequently, the Program supported the Comprehensive Victims' Assistance and Reparations Unit in holding eight workshops in which it discussed the contents of these guides and strengthened the skills of territorial officials and professionals in the Unit's Territorial Directorates. The workshops also provided training on the project development, the design of a logical framework, and the conceptual and operational application of the General Adjusted Methodology (MGA)<sup>59</sup>, based on practical cases involving initiatives being developed by the territorial entities in connection with the implementation of their Territorial Action Plans for the provision of preventive services, protection, assistance, attention and comprehensive reparations to victims.

In addition, the Comprehensive Victims' Assistance and Reparations Unit defined a co-financing mechanism that, in coordination with the national and territorial offer of services, will facilitate the development of investment projects for providing assistance to victims of forced displacement, as defined in the Territorial Action Plans. Projects that were reviewed and discussed during the workshops that the Program held with the UARIV in Q11 may be presented for co-financing through this mechanism.

## **SUPPORT ACTIVITY 7. ENVIRONMENT**

### **Activity**

#### **7.4.a. Sustainable Urban Development and Construction Policy Document:**

The Program delivered the final Sustainable Urbanism and Construction Policy Document to the DNP during the second week of June. In order to prepare this document, the Public Policy Program reviewed current policies and regulations, as well as looked to relevant international contexts. The Program

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<sup>59</sup> The General Adjusted Methodology (MGA) is a tool that the GOC uses to identify, prepare, evaluate and schedule investment projects. By constructing a decision tree, the GOC formulates the objectives of the proposed investment project and develops the causes, effects and alternative possible solutions to the problem. Later, the possible solutions are subjected to a feasibility analysis that assesses technical (legal, environmental, etc.) and financial constraints. These studies enable the GOC to make correct technical decisions about public investments. The projects that are evaluated with the MGA subsequently generate Basic Investment Statistics (EBI), with which the GOC (Ministry of Finance and DNP) makes budget requests for public investment.

placed an emphasis on Mexico's experience because of its similarity to Colombia in terms of socio-economic indicators. This review allowed the Program to jointly construct (with the DNP and other sector actors) a document with policy recommendations for the development of the Sustainable Urbanism and Construction Policy Document. The Program's inputs and recommendations are currently being used as the foundation to formulate the final White Paper (CONPES Document) expected in October 2013.

The policy implementation instruments recommended in the document intend to make a profound impact by changing current regulations at all levels. Most importantly, they promote substantial changes in construction practices in the country and the creation of a culture of sustainability and environmental responsibility.

Among these instruments are: a) *Hipoteca Verde* (Green Mortgage), which would operate as a financial instrument to provide incentives to use of environmentally-efficient technologies that would benefit end-users who inhabit environmentally responsible spaces; b) *Sello Verde* (Green Seal), which would operate as a certification of quality and compliance in sustainable construction and a public recognition of environmental efficiency; c) The Sustainable Construction Code, a regulatory instrument that would constitute a step towards the implementation of standards for reducing greenhouse gas emissions and water consumption, among other benefits; d) *Retevis* Technical Standards and Certifications, which function as incentives for the incorporation of energy efficiency in social interest housing (*Vivienda de Interés Social* – VIS); and e) The Low Carbon Development Strategy, in an initial phase, an informational instrument to raise awareness on the construction sector's greenhouse gas emissions and the advances being made to reduce them. In a second phase, this instrument may also operate as factor to encourage competitiveness in sustainable construction efforts.

At the same time, the Program and the DNP prepared a report that proposed an Action Plan for the Sustainable Urbanism and Construction Policy Guidelines. This report will have a very significant effect on the following areas: a) Land-use planning, through the inclusion of sustainability criteria and measures for mitigating and adapting to climate change; b) Materials and supplies, including measures to promote the acquisition of sustainable materials, the development of efficient technologies, the creation of a standard materials registry, and the definition of technical construction standards; c) Civil, Urban, and Architectural design, encouraging investments in research on new sustainable technologies, prioritization in licensing, and the issuance of the Sustainable Construction Code and related certifications; d) Incentives: Economic, Tax and Financial Benefits to Foster Sustainable Construction and Sustainable Urban Development; e) Use and maintenance of buildings, with tools ranging from audits to the establishment of fees to bolder strategies, such as the sale of emission reduction bonds; f) Final disposition, for the purpose of making an impact on the management of waste and garbage; g) Policy management, beginning with the construction of a greenhouse gas emission baseline; the definition of indices, goals, and zones for the adoption of a territorial climate focus; institutional strengthening and inter-institutional coordination; and the creation of opportunities for citizen participation.

In Q11, the Program also hosted a legislative debate in which officials from the Ministry of Environment, the Ministry of Housing, the DNP, technical experts and members of Congress discussed the Sustainable Construction Bill recently presented by Representatives Simón Gaviria and Alfredo Molina (which principally consists of tax alternatives). During the debate, different officials presented their recommendations to improve the Bill and the DNP made specific suggestions related to the inputs given on the policy and the aforementioned themes.



**7.5.a. Illegal Mining Control Policy Document:**

Illegal mining has become a major environmental, economic and social issue in Colombia, particularly due to the use of toxic chemicals that ruin water quality, contaminate the soil and endanger human health. At the same time, small-scale informal miners have rarely been taken into account in Prior Consultation Processes in order to create businesses that include those that have been located in the same zones for long periods of time, giving them an opportunity to be legalized. In Q12, the Program will prepare a document with recommendations to address the policy that refers to illegal mining and the distinction between illegal/criminal mining and mining that is carried out by small-scale producers.

**SUPPORT ACTIVITY 8. KNOWLEDGE MANAGEMENT****Activities****8.a. Monitor:**

In Q11, the Program uploaded information relevant to Q10 in the Monitor System. As a result, information from the first three quarters of FY 2013 has now been uploaded into the System.

**8.d. Website designed and functioning:**

In Q10, the Program updated and published relevant information about its activities, results and events on the USAID Public Policy Program website (<http://www.icpcolombia.org/proyectos.php>), which is administered by the Political Science Institute (*Instituto de Ciencias Políticas* - ICP).

**8.e. Quarterly Reports:**

The Program produced its Q10 quarterly report and delivered it to USAID at the end of April 2013.

**8.f. E-bulletin:**

During this Quarter, the Program delivered three monthly E-bulletins to USAID. The E-Bulletins reported the following successful stories and news about the Program's activities:

- Workshop for Journalists: Memory and Truth, the Foundations of Social Reconciliation
- The Challenge Fund: A New Mechanism to Promote Financial Inclusion
- The Victims' Unit: Strategic Vision and Institutional Capacity for Reconciliation

**8.g. Special Reports:**

In Q11, at the request of USAID, the Program developed a Briefer on USAID's support for the drafting, regulation and implementation of the Victims' Law, as well as a Power Point Presentation on the Public Policy Program's close-out.

**8.i Documentation and Release of Program Products:**

During this Quarter, the Program submitted the deliverables developed by the Program on three key policy issues to USAID's Colombia Mission: 1) decentralization; 2) public and private partnerships; and, 3) prior consultation (*consulta previa*) with indigenous populations and ethnic minorities, as stipulated by the land restitution chapter of the Victims' Law.

The Program delivered a total of 165 technical documents, which were classified as follows:

**Table No. 12. Technical documents submitted to USAID**

Policy Issue	Number of technical documents
Decentralization	144
Public and Private Partnerships	10
Prior Consultation	11

#### **8.j. Deliverable Quality Control:**

The Program will continue to consolidate its inventory of technical deliverables. To date, the knowledge management team has classified 85% of the deliverables from Year 1 and Year 2. The Program expects to produce a final deliverables inventory for next Quarter.

Also during this Quarter, the Program selected the most representative deliverables of Year 1 to be translated and uploaded to the USAID Development Experience Clearinghouse (DEC). The Program will complete this activity by the end of 2013. During Q12, the technical team will select key deliverables from Year 2 and Year 3 to be uploaded to the DEC.

#### **8.k. Public Discussion of Key Public Policy Issues:**

Given the ICP's capacity to influence public opinion and gain access to the media, decision makers and academia, the Program worked closely with it to organize strategic roundtables, workshops, debates and seminars on key Program-supported issues, including the following activities that occurred between April and June, 2013:

a) An Expert Roundtable on Conpes 161 (a Policy White Paper that addresses women's gender equality). Ms. Ana María Fergusson, the Acting Presidential High Commissioner for Women's Equity (ACPEM), and representatives from major international agencies that work on gender issues in Colombia attended the event.

b) A Legislative Debate on the *Sustainable Construction Bill* (Bill 119 of 2012 of the House of Representatives). Officials from the Ministry of Environment, the Ministry of Housing and the DNP, in addition to representatives from civil society organizations such as the Colombian Council of Sustainable Construction, academics, technical experts and members of Congress discussed the Sustainable Construction Bill recently presented by Representatives Simón Gaviria and Alfredo Molina. During the debate, event attendees presented their policy recommendations to improve the Bill.

## **PROGRAM MANAGEMENT AND ADMINISTRATION**

In Q11, the Public Policy Program billed a total of US \$1,847,675. Next Quarter, the Program expects to invoice US\$ 2,317,518, for a total of \$ 22,557,096 billed to USAID.

#### **Recruitment/Contracting**

In Q11, the Program increased its program staff, strengthening the contracts and finance department, and adding administrative assistants who are supporting the payments and contract closeouts.



**Table No. 13. Long Term Technical Assistance Contracted in Q11**

Long Term Technical Assistance (LTTA)	Title
<b>Yessenia Currea</b>	Admin Assistant
<b>Lizeth Caycedo</b>	Contracts and Grants Specialist
<b>Cesar Carrillo</b>	Accountant
<b>Liliana Botero</b>	Contracts and Grants Specialist
<b>Julian Melo</b>	Admin Assistant
<b>Diana Vasquez</b>	Differential Approach Expert

In Q11, AECOM directly contracted 53 consultants (STTA), obligating COP\$1,352,934,550 (equivalent to approximately US\$ \$751,603)<sup>60</sup> with the following breakdown:

**Table No. 14. Short Term Technical Assistance Contracted in Q11**

Pillar	No. Consultants	Amount US\$	% Distribution of Contract Amount
<b>Consolidation</b>	14	194,376	25.86%
<b>Land</b>	26	325,914	43.36%
<b>Victims</b>	10	91,367	12.15%
<b>Cross Cutting</b>	9	139,972	18.63%
<b>Total</b>	<b>59</b>	<b>\$751,629</b>	<b>100%</b>

During Q11, the Program signed contracts valued at COP\$ 331,320,242 (equivalent to approximately US\$184,071) with the following breakdown:

**Table No. 15. Firms Contracted in Q11**

Component	No. Legal Instruments	Value US\$	% Distribution of Contract Amount
<b>Land's Policy</b>	1	\$81,459	44.26%
<b>Victims' Policy</b>	3	\$102,612	55.74%
<b>Total</b>	<b>4</b>	<b>\$184,071</b>	<b>100%</b>

## Operations

**Events:** The Program continued to reach out to Government and Civil Society counterparts in Q11. Below is the number of workshops, participants by gender, and level of satisfaction with the quality of events this Quarter:

**Table No. 16. Events Conducted by the Program in Q11**

<sup>60</sup> Exchange rate used \$1,800 Colombian Pesos per US Dollar.

Date	Pillar	Event name	Total Participation	Men	% Men	Women	% Women	Public Servants	% Public Servants	% Event Satisfaction
April 3	<b>Victims' Policy</b>	Workshop on Unfolding Strategic Territorial Management	22	7	32%	15	68%	18	82%	91%
April 4-5	<b>Land Policy</b>	Situational Strengthening Analysis	38	27	71%	11	29%	37	97%	90%
April 5	<b>Victims' Policy</b>	Workshop on Unfolding Strategic Territorial Management	22	10	45%	12	55%	20	91%	96%
April 17	<b>Victims' Policy</b>	Workshop on Unfolding Strategic Territorial Management	27	19	70%	8	30%	14	52%	88%
April 19	<b>Victims' Policy</b>	Workshop on Unfolding Strategic Territorial Management	19	5	26%	14	74%	16	84%	89%
April 22	<b>Victims' Policy</b>	Workshop on Unfolding Strategic Territorial Management	20	11	55%	9	45%	16	80%	92%
April 23	<b>Victims' Policy</b>	Minimum Subsistence	14	5	36%	9	64%	4	29%	99%
May 3	<b>Victims' Policy</b>	Strategic Planning, Information Management Victims Unit	29	7	24%	22	76%	27	93%	100%
May 10	<b>Victims' Policy</b>	Model for Differential Focus	25	10	40%	15	60%	13	52%	94%
May 14	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	29	14	48%	15	52%	22	76%	89%
May 15	<b>Victims' Policy</b>	Minimum Subsistence	18	6	33%	12	67%	9	50%	99%
May 21-24	<b>Victims' Policy</b>	Payment to Victims According to decisions of the "High Court of the Judiciary District of Bogotá."	80	38	48%	42	53%	4	5%	96%
May 24	<b>Victims' Policy</b>	Workshop for Strategic Victims Unit	26	9	35%	17	65%	25	96%	91%
May 29	<b>Victims' Policy</b>	Acquiring of Skills, Victims Unit	18	5	28%	13	72%	5	28%	95%
May 28-29	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	31	12	39%	19	61%	29	94%	100%

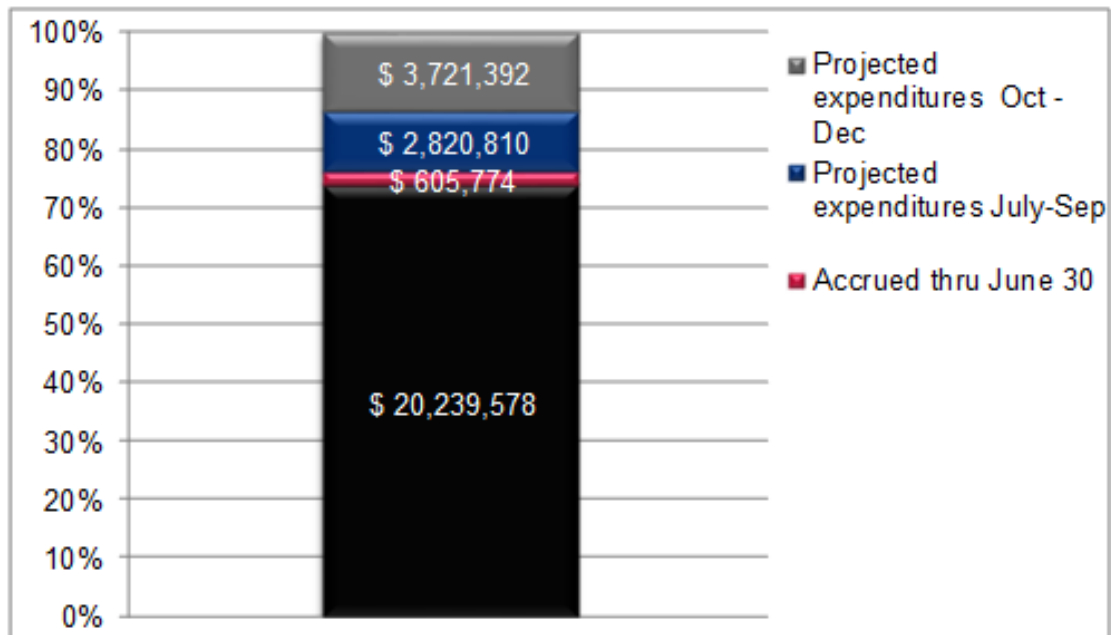
Date	Pillar	Event name	Total Participation	Men	% Men	Women	% Women	Public Servants	% Public Servants	% Event Satisfaction
May 30	<b>Victims' Policy</b>	Workshop for Victims Unit Strategic Advisors	17	6	35%	11	65%	16	94%	100%
May 30 - 31	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	51	24	47%	27	53%	40	78%	96%
May 31	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	19	4	21%	15	79%	19	100%	100%
June 4	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	16	9	56%	7	44%	16	100%	100%
June 4-5	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	47	28	60%	19	40%	41	87%	98%
June 5	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	22	11	50%	11	50%	22	100%	99%
June 6-7	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	65	40	62%	25	38%	56	86%	82%
June 7	<b>Victims' Policy</b>	Tools for Monitoring Territorial Plans	25	7	28%	18	72%	22	88%	100%
June 11	<b>Victims' Policy</b>	Victims Unit Control Panel	12	5	42%	7	58%	9	75%	100%
June 18	<b>Victims' Policy</b>	Introduction for Ethnic Authorities: Guidelines for Making Agreements	12	6	50%	6	50%	4	33%	95%
June 21	<b>Victims' Policy</b>	Structure for the Cooperation Office and World Bank Project, Victims Unit	7	2	29%	5	71%	3	43%	97%
June 25	<b>Victims' Policy</b>	Wealth Generation	17	8	47%	9	53%	3	18%	90%
June 26-27	<b>Victims' Policy</b>	Workshop on Coordination for Territorial Leaders, Victims Unit	73	43	59%	30	41%	65	89%	91%
June 28	<b>Victims' Policy</b>	Certification of Entities, Victims Unit	32	8	25%	24	75%	29	91%	97%
<b>Total</b>			<b>833</b>	<b>386</b>	<b>46%</b>	<b>447</b>	<b>52%</b>	<b>604</b>	<b>70%</b>	<b>95%</b>

## Financials

Below please find the financial status of the Contract:

Billed as of the end of Q11: US\$ 20,239,578

Accounts Payable as of the end of Q11: US\$ 605,774



**Chart 9:** USAID Public Policy Program Expenditures

**Source:** USAID Public Policy Program

\*Note: Numbers reflect amounts that will be accrued each month, not invoiced

## ANNEX I. RESULTS TABLE: ACHIEVEMENTS TO DATE

Results/Performance Standards	Delivery Requirements /Milestones	percentage weight	Year 1	Year 2	Year 3	Year 4	Year 5	Q11	% achieved by result Q11 (June 2013)
PILLAR ONE: LAND POLICY									
1.1 Land restitution chapter of the Victim's Law implemented	1.1.1 Land Restitution Unit established	70%			●			95%	91%
	1.1.2 Inputs to Compensation decree	10%			●			40%	
	1.1.3 Inputs to Land Restitution for Ethnic Minorities decree	20%	✓					100%	
1.2 Land and Rural Development Law drafted and Implemented	1.2.1 Inputs to Law for Rural Development	20%			●			95%	94%
	1.2.2 Design of Unit for Rural Land Use Planning	5%	✓					100%	
	1.2.3 Design of Sustainable Livelihoods Policy Framework	25%			●			95%	
	1.2.4 Design of Regional Rural Development Areas Programs	25%			●			95%	
	1.2.5 Reform of INCODER Implemented	20%			●			95%	
	1.2.6 Reform of MARD Implemented	5%			●			60%	
1.3 Rural property formalization program designed, including regulatory framework and institutional infrastructure	1.3.1 Design of formalization program	35%		✓				100%	85%
	1.3.2 Regulatory framework for land formalization	25%	✓					100%	
	1.3.3 Design of institutional structure for formalization program	10%	✓					100%	
	1.3.4 Formalization of Land Tenure Rights Policy Document developed	30%			●			50%	
PILLAR TWO: VICTIM'S POLICY:									
2.1 Victims' Law institutions designed	2.1.1 Design of Department of Social Prosperity (DAPS)	20%			✓			100%	99%
	2.1.2 Design of Victims' Unit	50%			●			98%	
	2.1.3 Design of Regional Victims' Assistance Centers	20%		✓				100%	
	2.1.4 Design of Center for Historical Memory	10%		✓				100%	
2.2 National plan for Victims' humanitarian assistance and reparations	2.2.1 National Plan for victims' reparations in place	28%		✓				100%	99%
	2.2.2 Improved service delivery for victims	17%			●			95%	
	2.2.3 SNARIV Strengthened to Monitor Agency Action Plans	15%			●			97%	
	2.2.4 Support implementation of Cessation of Vulnerability Index	20%			●			99%	
	2.2.5 Design and implementation of regional reparations plans	20%		✓				100%	
2.3 Victims and civil society stakeholders participate in the implementation of the Victims' Law	2.3.1 Victims and stakeholder participation in policy design	100%		✓				100%	100%
PILLAR THREE: CONSOLIDATION P									
3.1 National Consolidation Policy (NCP) framework revised and under implementation	3.1.1 Revised NCP framework	15%	✓					100%	95%
	3.1.2 Support for development and implementation of Regional Consolidation Action Plans	25%			●			95%	
	3.1.3 Improved service delivery in Consolidation Zones	30%			●			93%	
	3.1.4 Design of interagency and inter-governmental budget and coordination mechanisms	30%			●			95%	
3.2 Institutional structure designed to implement the NCP at the national and regional level	3.2.1 Design and Implementation of Consolidation Unit	70%			●			95%	97%
	3.2.2 Design of Consolidation Fund	30%		✓				100%	